UNIVERSAL REGISTRATION DOCUMENT 2024

INCLUDING ANNUAL FINANCIAL REPORT

SUMMARY

Information disclosed in the Annual Financial Report is indicated in the contents by the pictograme AFR

UNIVERSAL REGISTRATION DOCUMENT 2024

INCLUDING ANNUAL FINANCIAL REPORT

ENGIE is a leading global energy company focused on renewables and decentralized, low-carbon energy networks, supporting its customers in the drive to decarbonize. Leveraging our industrial approach and guided by our purpose, we are uniquely positioned to build the low-carbon energy system of the future and meet the challenges of climate change

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document was filed under No. D.25-0091 on March 13, 2025 with the French financial markets authority (*Autorité des marchés financiers* – AMF) in its capacity as competent authority under Regulation (EU) No. 2017/1129, without prior approval pursuant to Article 9 of the aforementioned regulation. The Universal Registration Document may be used for the purposes of a public offering of securities or admission of securities to trading on a regulated market if it is supplemented by a prospectus and, if applicable, a summary of any amendments to the Universal Registration Document. This package of documents is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the original Universal Registration Document issued in French and is available on www.engie.com. This translation is provided solely for the convenience of English speaking readers. The annual financial report is a reproduction of the official version of the annual financial report which has been prepared in European Single Electronic Format (ESEF) and is also available on www.engie.com/en.

OUR RESULTS REFLECT OUR COLLECTIVE COMMITMENT TO MAKING THE ENERGY TRANSITION A REALITY

JEAN-PIERRE CLAMADIEU
Chairman of the Board of Directors

CATHERINE MACGREGOR
Chief Executive Officer

How do you view the transformations of the global energy landscape?

Jean-Pierre Clamadieu: 2024 was an intense year shaped by an unstable political environment in a number of countries where the Group operates. As an energy player, we are obviously sensitive to this situation.

In Europe, the priorities of the new Commission and Parliament revolve around transforming the Green Deal into a Clean Industrial Deal, with the same objectives but with a focus on simplifying regulations and strengthening the industry's competitiveness. In the United States, Donald Trump's election is raising questions about the future of climate policies.

On the economic front, prolonged high global interest rates are holding back investment in renewable energies.

In terms of climate, 2024 was the hottest year on record and the first to exceed 1.5°C. Despite the urgency of the situation, global efforts remain insufficient and the COP 29 ended with mixed results.

Against this backdrop, our Group remains well positioned and continues to execute its strategy, while proving adaptable and resilient. ENGIE is ready to embark on the next stages of its growth trajectory.

Catherine MacGregor: Amid the prevailing uncertainty, the energy transition is nevertheless benefiting from underlying trends, as we can see across all our businesses.

Energy markets are continuing to evolve rapidly, with a growing need for flexible solutions to guarantee the stability of the energy system, as renewable energies become a major production source and customer demand for decarbonized energy increases.

"Our Group remains well positioned and continues to execute its strategy."

These technologies are now more affordable. Supply chains have diversified further since the crisis, even though geopolitical tensions call for prudence. Digital technology is contributing to this acceleration by optimizing renewable energy production.

Sustained by these underlying trends, the energy transition has gathered pace: renewable energies accounted for around 50% of the European Union's electricity production in 2024. The race to decarbonize is now global: China accounts for half of all newly installed renewable energy capacity this year, and other countries such as India are gearing up to follow suit.

However, in a world where public finances are tight, we can only make the transition a success if it is affordable for everyone. This means focusing on the most competitive projects. To do so, ENGIE can draw on its solid fundamentals and its ability to continue its transformation in a dynamic environment.

How can Europe boost its competitiveness in this increasingly competitive global environment?

Jean-Pierre Clamadieu: In response to the competition from the United States and China, Europe must make the energy transition a driver of its reindustrialization and industrial competitiveness.

We are fortunate to be able to operate in a market that is broadly but not completely integrated, with the complementarity of production systems between Member States helping strengthen its resilience. We need to invest in deploying power networks and flexible solutions that are key to the future low-carbon system. We also need to target funding more effectively to step up the development of less mature technologies (2G biomethane, hydrogen and its derivatives), which are crucial to achieving carbon neutrality by 2050. Lastly, we need simplification and pragmatism.

The Commission has shown its willingness to tackle the issue of industrial competitiveness with two major projects, the Clean Industrial Deal and regulatory simplification, which we support as a step in the right direction.

How is ENGIE supporting its customers in the current environment?

Catherine MacGregor: We provide practical solutions to our customers wherever we operate, whether they are businesses, local authorities or individuals. We support decarbonization of companies with a growing need for green energy, starting with tech industry players. We have signed a number of green Power Purchase Agreements with GAFAM, and also with major companies such as Carrefour. We also support industrial groups such as BASF in the green gases market, supplying them with biomethane via Biomethane Purchase Agreements. These solutions are based on our decarbonized and flexible electricity mix, the development of green molecules, and of course our expertise in energy management.

We also have a strong presence in district heating and cooling networks at the heart of cities and regions – a position we have strengthened in France and Spain – and in on-site energy production for industrial groups.

In France, during the winter of 2023-2024, we supported our residential and business customers in implementing energy-saving measures, particularly on days when the power grid was under strain. We use generative AI in our call centers in Belgium and France. And in 2024, we were voted customer service provider of the year, a great acknowledgment of our teams' skills.

Where do we stand on our ESG commitments?

Jean-Pierre Clamadieu: With regard to our climate commitments, we have continued to reduce our greenhouse gas emissions, with just over 48 Mt of emissions due to energy production. Renewables now account for 43% of our energy mix, compared with 41% in 2023. We have undertaken to update our climate strategy every three years, and we will be debating this latest version with our shareholders at the upcoming Shareholders' Meeting. This will be a major milestone for ENGIE, given that our chosen purpose is to accelerate the energy transition.

ENGIE is also committed to implementing the Corporate Sustainability Reporting Directive (CSRD), which aims to regulate non-financial reporting on a European level. The first Sustainability Statement is therefore available in this Universal Registration Document, and replaces the Non-Financial Statement.

Lastly, with regard to our societal commitments, we have made progress on our objective of increasing the proportion of women in management, currently 32%, in line with our 2030 trajectory, although efforts there must still be pursued.

How did ENGIE deliver on its strategy in 2024?

Catherine MacGregor: We can be very proud of what we achieved to accelerate the energy transition, starting with a solid performance in renewable energies: we exceeded our target of 4 GW of additional installed capacity, and developed major projects in all our geographic areas.

We also saw rapid growth in battery energy storage and made headway in the strategic power networks segment, particularly in Latin America.

Because the green molecule will be essential for a decarbonized and competitive energy system, we are working to adapt our gas networks with projects such as MosaHYc, which is paving the way for a future European hydrogen network, and in storage with the HyPSTER project. Our biomethane projects make us a driving force in the European green gas sector. We are also pursuing our fast-paced expansion in district networks.

We have transformed ENGIE over the past four years: our Group is now more industrial, more efficient and simplified, with a perfect alignment between its purpose, its strategy and its businesses. We can aim to be "the best energy transition utility" in 2030, and successfully pursue our path toward Net-Zero Carbon by 2045.

ENGIE IS A WORLD LEADER IN THE ENERGY TRANSITION

Accelerate the transition to a carbon-neutral economy

Enshrined in the Group's bylaws, "the purpose (*raison d'être*) of ENGIE is to act to accelerate the transition to a carbon-neutral economy, through low-energy solutions that are more respectful of the environment. This purpose brings together the company, its employees, customers and shareholders and reconciles economic performance and positive impact on people and the planet. ENGIE's action is assessed in its entirety and over time."

ENGIE in figures

98,000
employees

200,000+
B2B customers

19.5m
B2C energy supply contracts

305,600 km
of gas and electricity, transmission and distribution networks

46.1 GW[(1)]
of total installed capacity in renewables (up 4.2 GW in 2024)

25.7 GW
of decentralized installed energy production capacity (heating, cooling, electricity, etc.)[(2)]

54.7 GW
of thermal electricity production capacity

2.6 GW
of battery storage in operation

2024 financial indicators

€73.8bn
in revenues

€25.4bn
in green bonds issued since 2014[(3)]

€5.5bn
in net recurring income, Group share from continuing operations

€7.3bn
in growth CAPEX

3.1
Economic net debt/EBITDA ratio

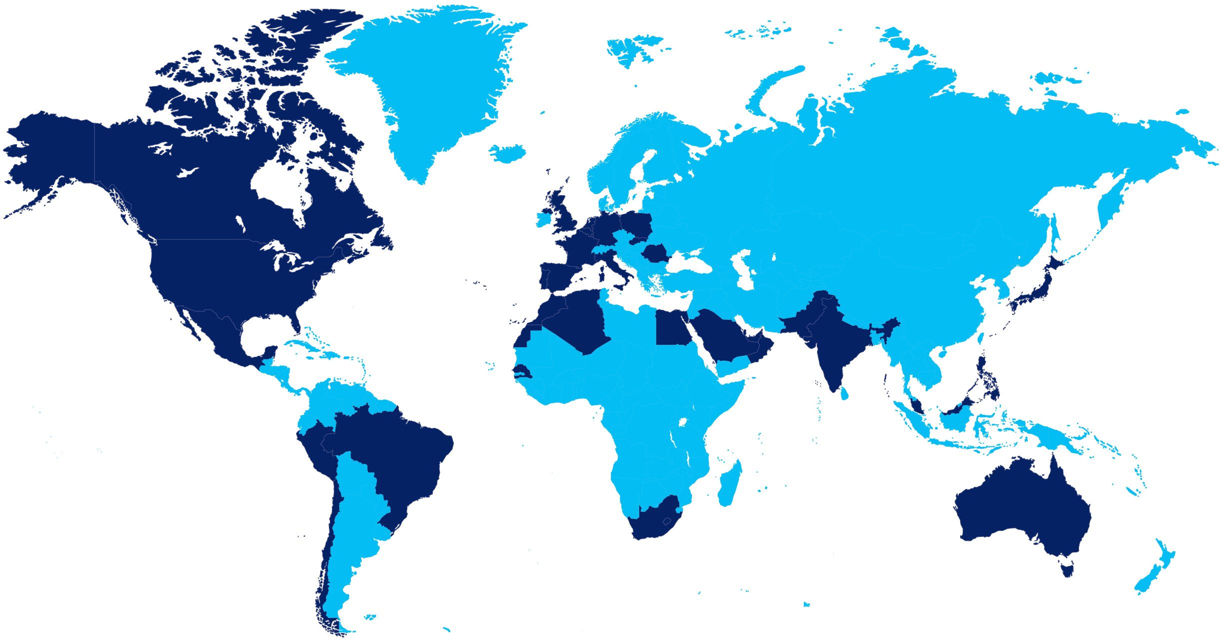
€8.9bn
in EBIT excluding nuclear

€1.48
2024 proposed dividend per share

Rating
Strong investment grade

(1) *Total capacity including a 0.8 GW adjustment related to a change of definition.*
(2) *At 100%.*
(3) *Including the equivalent of €0.7bn in green bonds issued by ENGIE Energia Chile in 2024.*

EBIT worldwide at December 31, 2024



NORTHAM

€0.2bn

North America:
Canada, United States

SOUTHAM

€2bn

Central and South America:
Brazil, Chile, Mexico, Peru

EUROPE

€2.3bn

Belgium, Germany, Italy, Netherlands, Poland, Portugal, Romania, Slovakia, Spain, United Kingdom

FRANCE

€3.6bn

GRDF, GRTgaz, Elengy, Storengy

AMEA

€0.6bn

Asia, Middle East, Africa:
Algeria, Australia, Egypt, Gulf Cooperation Council (Bahrain, Kingdom of Saudi Arabia, Kuwait, Oman, Qatar, United Arab Emirates), India, Japan, Malaysia, Morocco, Pakistan, Philippines, Senegal, Singapore, South Africa

Renewables · Networks · Energy Solutions · Flex Gen & Retail · Nuclear · GEMS

2024 ESG indicators

48 Mt CO_2 eq.
of greenhouse gas emissions related to energy production

32%
women among Group managers

43%
in renewable electricity production capacity

Annual Financial Report, Management Report, Board of Directors' Report on corporate governance, an additional special report and sustainability information

This Universal Registration Document includes:

- all the items of the Annual Financial Report mentioned in Section I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*), and in Article 222-3 of the AMF's General Regulations;
- all the mandatory information included in the Management Report of the Board of Directors to the Annual Shareholders' Meeting of April 24, 2025, as stipulated in Article L.225-100 of the French Commercial Code (*Code de commerce*);
- all the information included in the Board of Directors' Report on corporate governance as provided for in Article L.225-37 of the French Commercial Code;
- the special report on free share allocations provided for in Article L.225-197-4 of the French Commercial Code; and
- sustainability information mentioned in Articles L. 232-6-3 and R. 232-8-4 of the French Commercial Code.

A table cross-referencing the documents mentioned in these texts and the corresponding headings in this document can be found in Section 7.11 of this Universal Registration Document.

Incorporation by reference

In accordance with Article 19 of Regulation (EU) No. 2017/1129 of June 14, 2017, this Universal Registration Document incorporates by reference the following information, to which the reader should refer:

- for the year ended December 31, 2023: the Management Report, consolidated financial statements prepared in accordance with IFRS and the related Statutory Auditors' report appearing on pages 236 to 252 and 253 to 374 of the Universal Registration Document filed with the AMF on March 7, 2024, under No. D. 24-0085;
- for the year ended December 31, 2022: the Management Report, consolidated financial statements prepared in accordance with IFRS and the related Statutory Auditors' report appearing on pages 225 to 244 and 245 to 368 of the Universal Registration Document filed with the AMF on March 9, 2023, under No. D. 23-0082.

The information included in these documents, along with the information mentioned above, is replaced or updated by the information included in this Universal Registration Document. These documents are available under the conditions described in Section 7.4 "Public documents" of this Universal Registration Document.

Forward-looking information and market data

This Universal Registration Document contains forward-looking information, particularly in Section 1.1 "History and organization," Section 1.6 "Description of the Group's activities," Section 3.1.2.1.4 "Climate change mitigation and energy transition matter" and Section 6.1.1.1.2 "2025-2027 outlook and guidance." This information is not historical data and therefore should not be construed as a guarantee that the events and data mentioned will occur or that the targets will be achieved, since these are by nature subject to unpredictable events and external factors, such as those described in Chapter 2 "Risk factors and internal control".

Unless otherwise stated, the market data included in this Universal Registration Document comes from internal estimates by ENGIE based on publicly available data.

Note

In this Universal Registration Document, the terms "ENGIE," the "Company," the "Issuer," and the "Enterprise" refer to the French public limited company (société anonyme) ENGIE. The term "Group" refers to ENGIE and its subsidiaries.

A conversion table, a list of units of measurement, short forms and acronyms, a glossary of the most frequently used technical terms and a thematic index are featured in Sections 7.6, 7.7, 7.8, 7.9 and 7.10 of this Universal Registration Document.

Copies of this Universal Registration Document are available free of charge on the Company website (www.engie.com/en), on the website of the AMF (www.amf-france.org/en), and at ENGIE, 1 place Samuel de Champlain – 92400 Courbevoie (France).

PRESENTATION OF THE GROUP

1.1 HISTORY AND ORGANIZATION

1.1.1 Presentation

"ENGIE's purpose, or *raison d'être*, is to act to accelerate the transition to a carbon-neutral economy through low-energy solutions that are more respectful of the environment. This purpose brings together the company and its employees, customers and shareholders and reconciles economic performance and positive impact on people and the planet. ENGIE's action is assessed in its entirety and over time."

ENGIE is a European and world leader[1] in renewable energy production, flexible power generation solutions (thermal power plants and batteries), centralized and decentralized energy networks, and gas and electricity supply:

- **renewable energy production and supply**: ENGIE is the second-largest hydropower operator, the number one wind and solar energy[2] company in France and the second-largest developer in Europe. It is the largest independent hydropower producer in Brazil[1]. It is a player in wind power and a pioneer in floating offshore wind, developed through its joint venture with EDP Renovàveis, Ocean Winds;
- **flexible electricity production:** the Group is one of the leading power producers in Europe, notably supplying solutions that provide flexibility to the network via its gas-fired power plants. It also invests in the development of battery capacities to bring the necessary flexibility to the electricity grid. In addition, it is the leading operator in nuclear energy in Belgium;
- **centralized energy networks:** the Group is the leading gas network operator in Europe[1], particularly through independent subsidiaries, with a portfolio that includes transport networks, distribution networks, and LNG storage and terminals. It is also a major player in South America, particularly Mexico, Brazil and Chile, operating gas and electricity transport, transmission and distribution networks. In 2024, it had a total of 8,000 km of transmission lines in operation, under development or under construction;
- **decentralized energy networks and energy services:** ENGIE is a global leader[1] in supporting cities, local authorities, and industrial and service sector customers in the decarbonization of their energy networks. The Energy Solutions GBU's activities are divided into three main categories: local energy networks (particularly heating and cooling networks and low-carbon mobility), on-site energy production (heating, cooling, electricity production using solar power, energy storage, etc.) and energy performance and management services (consulting, engineering and energy performance services);
- **gas and electricity supply**: ENGIE provides gas and electricity to end-customers worldwide, with almost 20 million contracts. Nearly half of its customers are located outside of France. In Europe, ENGIE is one of the top gas sellers and importers. In France, ENGIE is the historic leader of gas marketing and the second-largest producer and supplier of electricity. In Belgium, ENGIE, through its subsidiary Electrabel, is the leading producer and supplier of electricity and the leading supplier of natural gas[2]. ENGIE is also a global leader in long-term green corporate Power Purchase Agreements (PPAs).

1.1.2 History and development of the Company

The Company is the result of the merger of SUEZ with Gaz de France, following the decisions of the Ordinary and Extraordinary Shareholders' Meetings of Gaz de France and SUEZ of July 16, 2008. The merger took effect on July 22, 2008.

Gaz de France was initially incorporated in 1946 as a French public industrial and commercial enterprise (*Établissement public à caractère industriel et commercial*). It became a limited liability company with a 99-year term under French Act No. 2004-803 of August 9, 2004 on the public service of electricity and gas and electricity and gas companies (amending French Act No. 46-628 of April 8, 1946).

On July 7, 2005, Gaz de France publicly floated its shares on the stock market. The Company's shares were first listed on July 7, 2005.

French Act No. 2004-803 of August 9, 2004, as amended by French Act No. 2006-1537 of December 7, 2006, governing the energy sector and Decree 2007-1784 of December 19, 2007, authorized the transfer of the Company from the public to the private sector. On July 22, 2008, Gaz de France absorbed SUEZ in a merger which entailed transferring the majority of the Company's share capital to the private sector. The new Company took the name GDF SUEZ.

SUEZ itself was the result of the merger in 1997 of Compagnie de Suez and Lyonnaise des Eaux. SUEZ became an international industrial and services group whose objective was to meet essential requirements in electricity, gas, energy and industry services, water and waste management. On July 9, 2007, SUEZ completed its takeover bid for all outstanding shares in Electrabel.

The deregulation of European energy markets in the early 1990s accelerated the international development of both Gaz de France and SUEZ, which progressively expanded their activities beyond their respective traditional markets, both in Europe and the rest of the world. This development continued with GDF SUEZ.

On February 3, 2011, GDF SUEZ completed a merger with International Power. In 2012, it reaffirmed its strategy to become a leading player on the global energy market, finalizing the purchase of shares held by the minority shareholders of International Power on June 29.

(1) *Competitive positions established on the basis of specialist work within the Group, carried out using available information published by stakeholders or entities providing external analysis (Bloomberg and Global Data). They are based on the scope of the Group at December 31, 2024.*

(2) *Source: Bloomberg New Energy Finance.*

The SUEZ Environnement Company shareholders' agreement expired on July 22, 2013, and was not renewed. The cooperation and shared functions agreement and the financing agreement between the Company and SUEZ Environnement Company also came to an end. The Company then used the equity method to account for SUEZ Environnement Company's activities, rather than full consolidation.

On July 29, 2015, the Extraordinary Shareholders' Meeting of GDF SUEZ approved the change of company name to "ENGIE."

In early March 2016, the two companies signed an agreement providing for the contribution by ENGIE to SUEZ of all of the share capital of SUEZ IP, which owned all intellectual property rights related to the SUEZ brand. On October 5, 2020, ENGIE sold the majority of its stake in SUEZ, i.e., 29.9% of the capital, to VEOLIA. On January 18, 2022, ENGIE contributed its remaining 1.8% stake in SUEZ to the public tender offer initiated by VEOLIA.

In 2019, accelerating the energy transition became the Group's stated objective.

On October 4, 2022, ENGIE completed the sale of EQUANS, the operating entity in charge of multi-technical services, to the Bouygues Group, which represented a major step in the implementation of the Group's strategic plan.

1.1.3 Organization of the Group

From January 1, 2021 to the end of January 2025, ENGIE was comprised of four Global Business Units (GBU), two operating entities and a group of support functions coordinated at Group level and pooled at regional level (see Section 1.6 "Description of the Group's activities"). A final entity contains the holding activities and corporate functions, mainly including the entities responsible for the Group's centralized financing.

The Group was thus organized around the following components:

- **the Group's four key business lines were organized into Global Business Units**, responsible for their results at the global level and the implementation of the strategy within their business segments. Until the end of January 2025, these GBU were: Renewables GBU, Networks GBU, Energy Solutions GBU and FlexGen & Retail GBU. Activities related to nuclear and energy management have been organized into dedicated operating entities, separate from the GBU (Nuclear and GEMS, respectively). As of February 1, 2025, the GBU will be structured as follows: Renewable & Flex Power GBU, Networks GBU, Local Energy Infrastructures GBU and Supply & Energy Management GBU;
- **the Group's functional departments oversee the support functions, in support of Executive Management** and in coordination with the GBU, draw up and roll out Group policies, and oversee financial and non-financial performance;
- **the support functions are organized by geographic area (regional hubs) and at the individual country level.** They have a key role in terms of support for the GBU' activities and the development of synergies. All of the regional hubs are managed at Group level by a dedicated department, Transformation & Geographies, which also oversees the Group's engineering and consulting company, Tractebel.

The organization operates based on a matrix set up between the business line entities and the functional departments, broken down into geographic areas.

1.1.3.1 Description of the Global Business Units and operating entities

The four GBU are responsible for the results of their respective business segments, at the global level.

This means that, within their respective scopes and the framework established by Executive Management[1], each GBU is responsible for:

- defining the development strategy, making decisions and arbitrating on investments;
- managing industrial assets, operational excellence, safety and security;
- managing performance processes, resources, expertise and the roll-out of digital tools.

The operating activities in the countries report to the corresponding GBU.

Until January 31, 2025, the activities of the different GBU were as follows:

- The **Renewables GBU** developed and operated electricity production assets from solar power, onshore and offshore wind and hydropower, including for batteries where appropriate (see Section 1.6.1);
- The **Networks GBU** delivered energy. It developed and operated gas transmission and distribution networks, storage and LNG terminals, as well as power transmission lines. It was also responsible for biomethane production (see Section 1.6.2);
- The **Energy Solutions GBU** developed decentralized, low-carbon networks (heating and cooling networks, decentralized low-carbon energy supply, mobility, etc.), and associated energy efficiency services (see Section 1.6.3);
- The **FlexGen & Retail GBU** produced and sold energy. It operated and developed flexibility solutions by producing electricity from thermal power plants and developing battery-powered electricity storage and hydrogen production capacities. It also provided gas and electricity to residential customers (see Section 1.6.4).

(1) *Within the limits of the provisions of the Energy Code and the regulatory requirements applicable to entities forming part of the Networks GBU.*

Energy markets continue to undergo rapid development, with a growing need for flexible solutions to guarantee the energy system's stabiliy, as renewable energies become a main source of production and customer demand for carbon-free energy increases. To capitalize on these opportunities and draw full value from its integrated model, ENGIE is transforming itself and adjusting the scope of its GBU.

Therefore, since February 1, 2025, the GBU have changed as follows:

- to supply more smart green electrons, the **Renewable & Flex Power GBU** brings together renewable energies, electricity storage assets (notably batteries) and thermal assets (Combined Cycle Gas Turbine or CCGT);
- relying on the central role of networks in the energy system, the **Networks GBU** continues to develop power networks and adapt gas infrastructure to green molecules, while promoting their development (biomethane, hydrogen and e-molecules);
- to contribute to the decarbonization of industries and cities, the **Local Energy Infrastructures GBU** aims to consolidate its leadership position in Europe while being more selective in its activities and geographies;
- to optimize the operation of the Group's assets and supply all customers with reliable, sustainable energy, the **Supply & Energy Management GBU** brings together the energy management activities which previously came under the GEMS operating entity (see Section 1.6.6) and the B2B and B2C energy supply activities (Retail). GEMS was responsible, at the global level, for the supply of energy and the management of risks and optimization of assets on the markets. It sold energy to companies and offered energy management solutions to support the decarbonization of the Group and its customers.

The Nuclear operating entity has similar responsibilities to the GBU in their respective business segments. It is dedicated to the operational management of nuclear production units in Belgium and the rights held in the French power plants (see Section 1.6.5).

Each GBU and the Nuclear operating entity are overseen by an Executive Vice President, who is a member of the Executive Committee (see Section 4.1.3 “Executive Management”). These GBU and this entity, under this sole authority, are responsible for managing the entire business division at the global level.

1.1.3.2 Description of support functions and geographical structure

The support functions contribute to the Group's performance by supporting the performance of the GBU and the operating entities. They are managed by the Group's corporate functional departments and are structured regionally and nationally.

The Group's functional departments are responsible, within their respective areas, for drawing up and rolling out Group policies and overseeing financial and non-financial performance. They are organized into four units:

- Corporate Secretariat, Strategy, Research & Innovation, and Communication;
- Finance, Environment, Social and Governance (ESG), Procurement;
- Digital and Information Systems; and
- Human Resources.

Stronger and structured coordination of the division at Group level ensures that the processes deliver good operational efficiency and that Group policies are properly implemented.

Each of these areas is overseen by an Executive Vice President, who is a member of the Executive Committee (see Section 4.1.3 "Executive Management").

Geographically speaking, the support functions are pooled in four regional hubs: Europe (excluding France); North America; South America; and Asia, the Middle East and Africa. The aim of the regional hubs is to support the GBU' activities in each region and oversee the coordination of all the support functions.

At country level, the country managers are responsible for the support functions and for relationships with local stakeholders.

An Executive Vice President, who is a member of the Executive Committee, is responsible for overseeing the geographic areas as a whole and the Group's transformation.

In addition to managing the Group's regional hubs, the Transformation & Geographies Department is also responsible for:

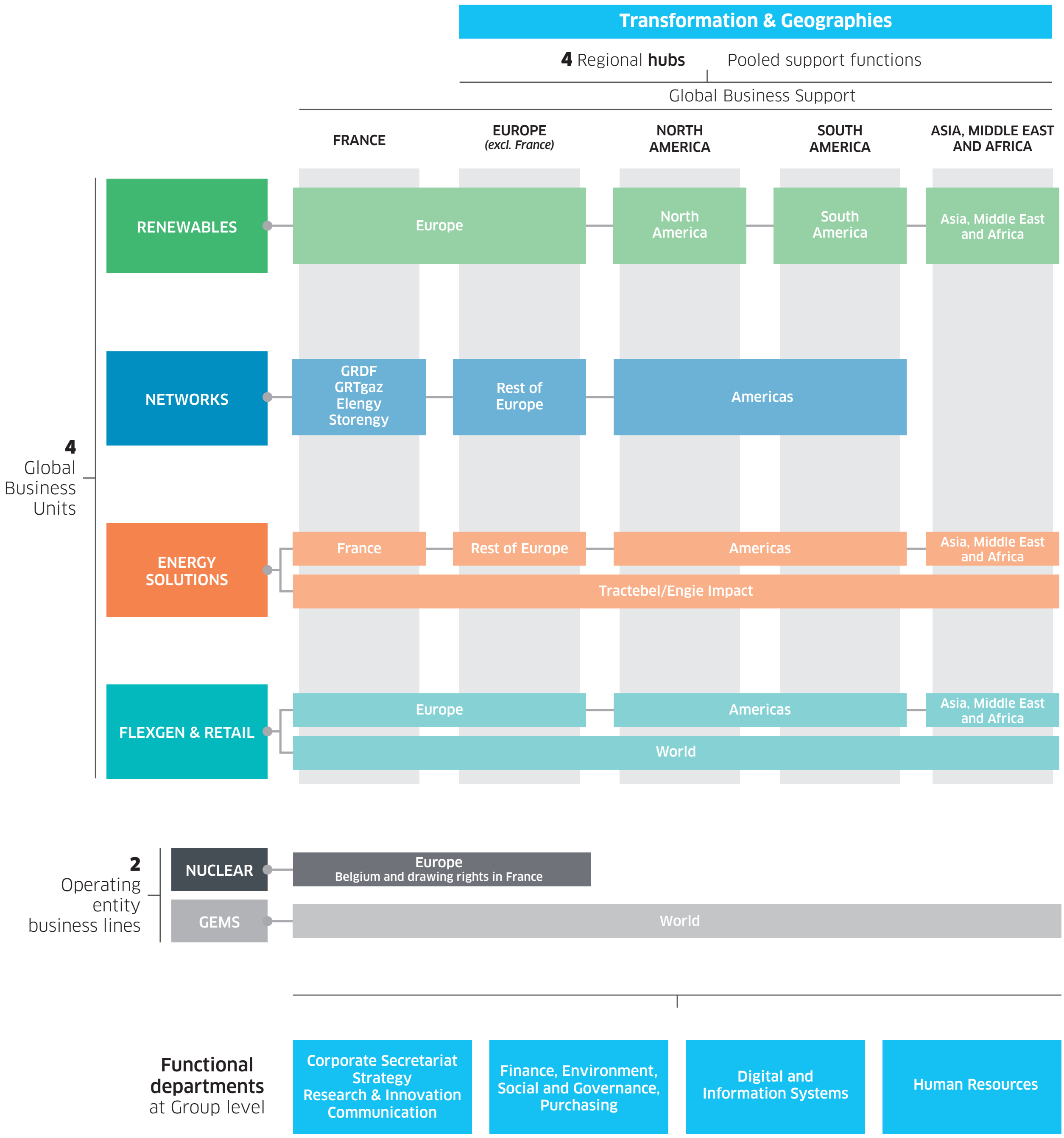
- supervising and managing the Group's transformation projects;
- supervising and supporting the Group's industrial projects;
- all activities relating to the health & safety of individuals (employees, temporary workers and subcontractors) and ensuring that industrial assets are safe to use, based on targets set by the Group in this area (No Life at Risk – No Mind at Risk – No Asset at Risk, see Section 3.1.3.2.6 "Health & safety of workers" and Section 3.2.1.2 "Prevent and manage risks related to health & safety at work").

The Company operates its own business. The number of subsidiaries directly or indirectly controlled by the Company was 2,579 at the end of 2023. In addition to the lists provided in Section 6.2.2 "Notes to the consolidated financial statements" – Note 2, "Main subsidiaries at December 31, 2024" and Section 6.4.2 "Notes to the parent company financial statements" – Note 4.4 "Subsidiaries and affiliates," a list of subsidiaries can be found on the Group's website (https://www.engie.com/en/finance-area, regulated information section).

The Company's activities and the strategic economic assets and geographic location of its main subsidiaries as well as their geographical location are presented in Section 1.6 "Description of the Group's activities."

A MATRIX ORGANIZATION FOCUSED ON STRATEGY IMPLEMENTATION
(in place until January 31, 2025)

Activities built around core businesses

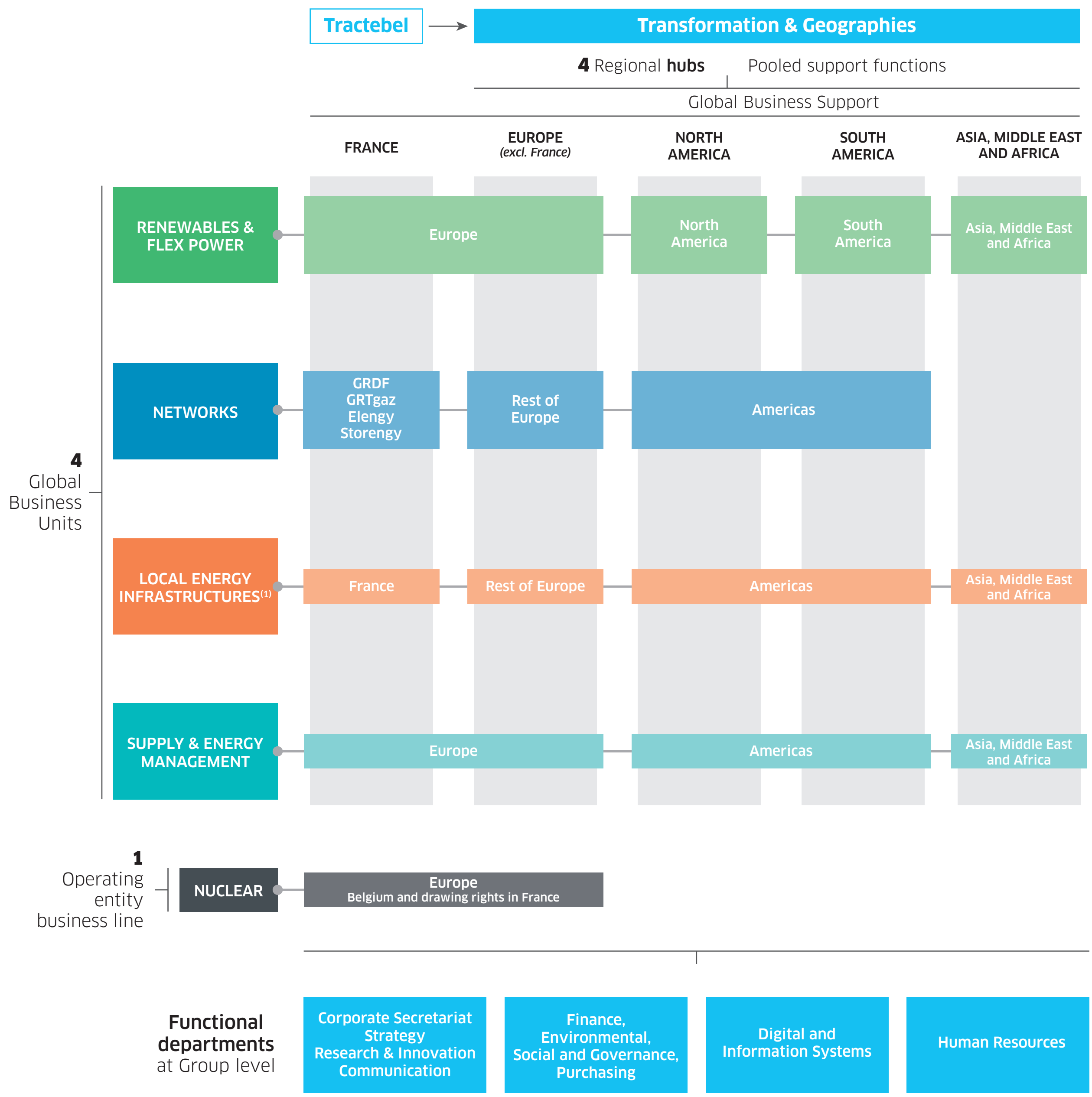


Greater pooling of support functions

A MATRIX ORGANIZATION FOCUSED ON STRATEGY IMPLEMENTATION

(in place since February 1, 2025)

Activities built around core businesses



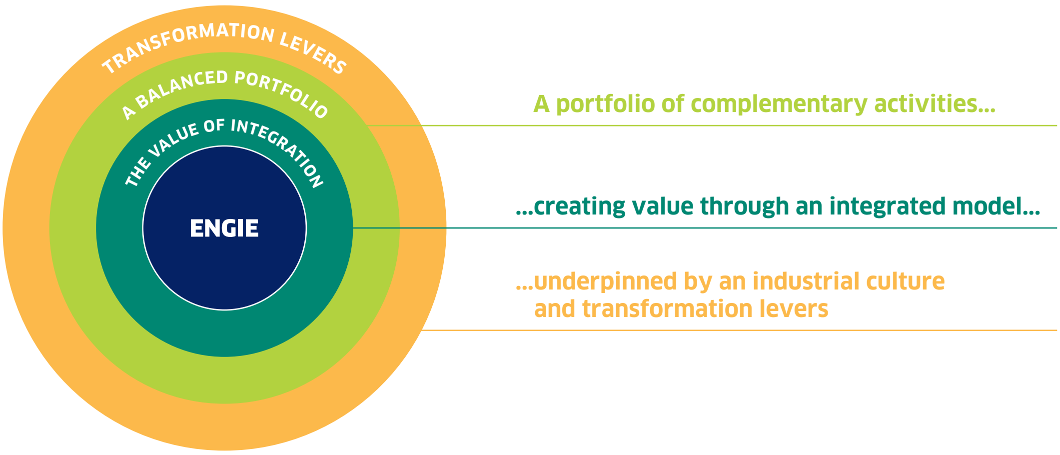
Greater pooling of support functions

(1) Geographic vision to date, subject to any changes resulting from the ongoing strategic review aimed at refocusing on a smaller number of geographies.

1.2 STRATEGY AND OBJECTIVES

Thanks to its long history, ENGIE is now in a position to play an active role in many areas of the energy transition, making the most of the complementary fit of its activities. The Group's ambition is to build on this position to be the best energy transition utility. More specifically, the Group aims to be a leading player in every country where it operates, at the highest level of quality, with the best talent. It is active across the entire energy transition value chain and its integrated model enables the Group to create more value and enhances its resilience. ENGIE's commitment to accelerating the energy transition is best demonstrated by its commitment to achieve Net Zero Carbon by 2045. By reliably providing affordable and accessible energy to all its customers, ENGIE is stepping up to its role of fulfilling an essential public service mission for society.

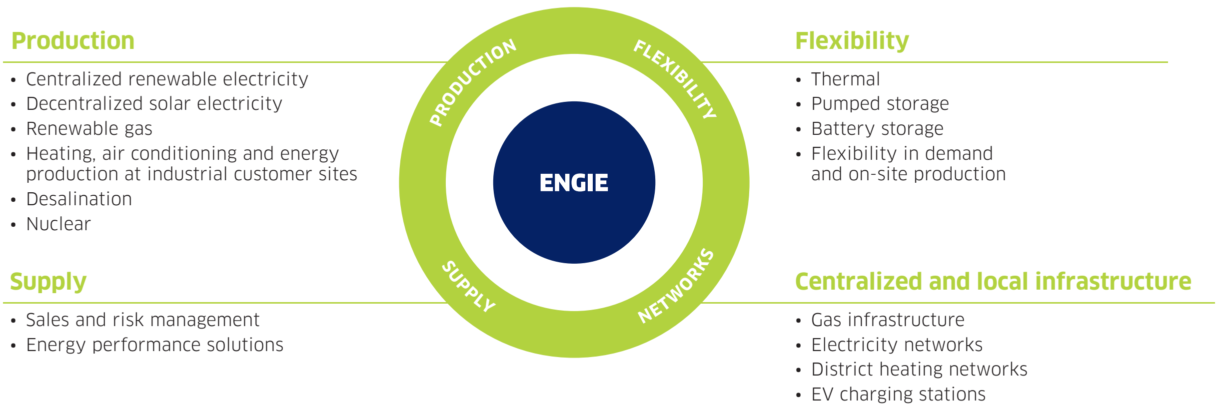
The Group's ambition is based on a three-dimensional business model: a portfolio of complementary activities, value creation thanks to an integrated business model, underpinned by an industrial culture and transformation levers.



ENGIE's has a business portfolio of complementary activities positioned throughout the energy transition value chain, from generation combined with flexibility, to large-scale networks (transport/transmission, distribution) and energy supply. This portfolio includes regulated infrastructure activities, medium- and long-term contracted activities, and activities exposed to market prices. Most of these complementary activities work in synergy, maximizing value and minimizing risk associated with a complex and uncertain environment. ENGIE's ambition is to continue transforming and developing its industrial culture to focus on performance and continuous improvement.

1.2.1 A portfolio of complementary activities

Four complementary types of activities cover the entire energy transition value chain:



1.2.1.1 Production

Production includes renewable electricity (centralized and decentralized), nuclear power, renewable gas (biomethane, green hydrogen), heating and cooling, energy for industrial customers (distributed solar, geothermal, heat pumps, boilers, biomass, etc.) and water from seawater desalination. With 51 GW of installed renewable and storage capacity in 2024, the aim is to reach 95 GW of installed renewable and storage capacity by 2030, i.e., an average of 7 GW of additional capacity per year.

As regards green gases, the Group aims to produce 10 TWh of biomethane per year in Europe by 2030, with 50 Twh of injection capacity on the networks in France. The Group is also working on commissioning 4 GW of hydrogen production capacity by 2035.

1.2.1.2 Flexibility

The growing market share of intermittent renewable power generation is creating new strain on the power generation system, requiring flexible resources.

Thermal gas generation enables the Group to meet peak electricity demand as well as seasonal variations. The Group continues to operate its thermal power generation assets, in line with the defined pathway to reduce its carbon footprint. The withdrawal from coal has been confirmed for 2027, and the decarbonization of gas-fired power plants is in development.

Secondly, battery storage meets flexibility needs for hourly balancing. Electricity storage using pumped-storage technology fulfills the same function.

In the downstream part of the energy value chain, demand-side management also supports flexibility. Using tools that operate both automatically and remotely, industrial and residential customers can adjust their electricity consumption in line with supply. In addition to saving customers money, these services alleviate strain on the power generation system during heavy load periods. They cover a variety of monitoring systems present on customer sites, from heating and cooling assets to electric vehicles and solar power systems coupled with domestic batteries and, in the future, electrolyzers.

1.2.1.3 Centralized and local infrastructure

The Group's infrastructure strategy consists of making sure that gas networks operate efficiently, adapting these networks to the development of biomethane and hydrogen, and developing electrical infrastructure worldwide. For electrical infrastructure outside France, the Group continues to grow with a target of 10,000 km by 2030. The energy transition will require massive investment in electricity networks around the world over the coming years, as they are an enabler for decarbonizing the energy system.

Infrastructure also includes heating and cooling networks, and a network of electric vehicle charging stations. The target is to produce 20 TWh of green distributed heat, cooling, and power by 2030 for its district heating and cooling networks and on-site production activities, as well as provide 25,000 electric vehicle charging points.

1.2.1.4 Supply

ENGIE serves retail customers, small corporate customers, companies, major industrial companies and all the Group's business entities. This activity consists of gas and electricity supply and the sale of decarbonization services, as well as managing energy and financial portfolio risks, with customized hedging strategies.

In all the markets where ENGIE operates, the aim is to become a reliable, trusted partner and to support customers through the energy transition. To this end, the Group's priorities are to market more and more green energy contracts with digital consumption management solutions. For industrial customers, ENGIE offers energy performance solutions. These solutions include installation, maintenance and consumption management services for equipment such as Very High Efficiency (VHE) boilers, heat pumps and solar roof equipment, to help customers manage and control their energy consumption. By 2030, it aims to sell 300 TWh of electricity worldwide.

1.2.2 The value generated by the Group's integrated model

ENGIE's integrated model maximizes the Group's value creation and resilience through three types of value sources:

- **managing risk and increasing revenues through portfolio effects and market optimization**. More specifically, the aim is to optimize the production of "smart electrons", combining power generation from the Group's assets with storage and flexibility solutions, and, downstream, to optimize energy marketing (supply, retail and corporate sales);
- **financial strength and increased investment potential through a reduced cost of capital**, **portfolio diversification and a consolidated balance sheet**. Thanks to its regulated network activities, with their inherently stable and predictable revenues, the Group benefits from a favorable credit rating and therefore a relatively low cost of capital compared with industry peers that do not have regulated assets. What's more, the Group's presence in 31 geographies via its four Global Business Units (GBU) and GEMS, with a consolidated balance sheet, brings diversification and pooled resources to mitigate risks;
- **industrial synergies**: economies of scale and standardization efforts create industrial synergies that improve process efficiency, reduce costs and mitigate operational risks (rationalized purchasing, pooled support functions, etc.).

1.2.3 Levers to support the Group's performance

The Group's determination to be the best energy transition utility requires it to continue improving in the various levers that support its activities. The most important of these areas include digital technology and artificial intelligence, people development, the ability to act as a recognized and influential voice in public debate, commercial intelligence, and the ongoing pursuit to enhance performance.

1.3 RESEARCH AND INNOVATION

1.3.1 Description and organization

Being a major player in the energy transition means understanding and mastering new trends, technologies and business models. ENGIE's Research & Innovation (R&I) teams strive to develop and integrate innovative tools and solutions that could make a major difference in the energy transition while strengthening the Group's leading position. Thanks to its expertise, ENGIE can identify, test and roll out the solutions that will contribute to making the energy transition possible and affordable. This work, carried out in areas that align with the Group's strategy and selected in close collaboration with the GBU, simultaneously addresses a variety of timelines through different means of intervention, combining internal expertise, partnerships and collaborations.

In 2024, the Group leveraged the simplified and streamlined R&I organization that was introduced on January 1, 2022, around research programs and startup investment priorities defined with the GBU, and implemented by the **CRIGEN and Cylergie laboratories (France), Laborelec (Belgium), Lab Singapore (Singapore)** and the Corporate Venture arm **ENGIE New Ventures**.

At end-2024, ENGIE's R&I teams comprised more than 650 employees.

The R&I priorities are aligned with the Group's strategic objectives and growth targets under the oversight of specific governance measures, based on an ongoing dialogue between R&I and the GBU. R&I priorities for 2024 mainly focused on renewable energy systems (solar power, onshore and offshore wind), green gas production and use (hydrogen, biomethane) and the development of decentralized energy networks (district heating & cooling, decentralized solar power and mobility).

1.3.2 Research activities

Research teams work in the CRIGEN, Cylergie, Laborelec and Lab Singapore labs on all aspects of detecting, testing and developing new technologies, thereby supporting the Group's various businesses with their performance and competitive edge. Research centers and teams can also provide the necessary expertise and technical support for key operations in business entities and innovation projects (for instance, EU Innovation Fund and Green Deal projects and major tenders). They provide a medium- and long-term technological vision to guide the Group's decisions.

In 2024, Group technological Research and Development expenditure amounted to €146 million.

	2024	2023	2022
R&D expenditure (*in millions of euros*)	146	142	135

ENGIE R&I also works alongside external, industrial and academic partners, with a portfolio of around 100 collaborative projects. This exchange of expertise allows ENGIE to bring new technologies and customer offerings to maturity, as well as to explore and develop more long-term subjects. Among these partnerships, ENGIE R&I collaborates in particular with the National Renewable Energy Laboratory (United States), the French Alternative Energies and Atomic Energy Commission (France) and EnergyVille (Belgium).

ENGIE R&I takes part in European research projects, as well as in projects co-funded by French and Belgian public bodies. For example, ENGIE partners with more than 60 research projects in the European Commission's HORIZON program. The Group is a member of several academic chairs co-funded by the French National Research Agency (ANR), such as the Energy and Prosperity chair with the *Institut Louis Bachelier*. ENGIE has also signed partnerships with the *Institut national de recherche pour l'agriculture, l'alimentation et l'environnement* and the Singapore Institute of Technology (SIT).

Since 2009, ENGIE has been supported by a scientific committee which brings together 10 world-renowned scientists covering the major disciplines related to the Group's activities.

Lastly, R&I is also responsible for innovation activities.

In particular, since its creation in 2014, ENGIE New Ventures has invested in over 50 start-ups. A list of the 28 investments in its portfolio to date is available at www.engieventures.com. In 2024, investments in six innovative start-ups (including five new) focused on the Group's priority growth sectors such as biomethane and industrial decarbonization.

The objective of these investments is to identify emerging technologies and business models in ENGIE's businesses, to provide priority access to these innovations through strategic partnerships, and to obtain a balanced return on investment.

Beyond these activities, R&I develops the culture of innovation. As such, R&I leads a community of Group innovators and promotes the emergence of internal innovation. In 2024, 1,400 employees presented innovations to boost GBU value creation and cross-business performance, as well as on subjects such as health & safety, diversity and digital technology.

1.4 FINANCIAL PERFORMANCE

1.4.1 Highlights

The highlights of 2024 are described in Section 6.1.1.1 "ENGIE 2024 results".

1.4.2 Financial objectives for 2025-2027

When presenting its 2024 annual results, ENGIE updated its financial objectives for 2025-2027 (see Section 6.1).

Amid reduced volatility and falling energy prices, and in view of its lower than expected recurring net financial costs for the year, ENGIE has upgraded its net recurring income, Group share guidance for 2025, which is now expected to be in the range of €4.4 to €5.0 billion compared to the previously announced range of €3.9 to €4.5 billion. EBIT excluding Nuclear is expected within an indicative range of €8.0 to €9.0 billion (compared with a previously announced range of €7.9 to €8.9 billion).

2027: a year of growth for ENGIE

As a sharp fall in the contribution from nuclear-related activities is projected for 2026, the Group expects net income, Group share, to grow in 2027, to between €4.4 and €5.0 billion.

Between 2025 and 2027, ENGIE's outlook is as follows:

In billions of euros	2025 results	2026 results	2027 results
EBIT excluding Nuclear (new)	**8.0-9.0**	**8.2-9.2**	**9.0-10.0**
EBIT excluding Nuclear (previous)	*7.9-8.9*	*8.2-9.2*	*n/a*
NRIgs guidance (new)	**4.4-5.0**	**4.2-4.8**	**4.4-5.0**
NRIgs guidance (previous)	*3.9-4.5*	*3.7-4.3*	*n/a*

ENGIE is committed to a strong investment grade credit rating and continues to target a ratio below or equal to 4.0x economic net debt to EBITDA over the long term.

1.4.3 2024 key financial figures

In millions of euros	2024	2023	2022	2021	2020 restated(1)	2020
1. Revenues	**73,812**	**82,565**	**93,865**	**57,866**	**44,306**	**55,751**
of which generated outside France	41,189	45,889	59,617	33,525	25,640	33,311
2. Income						
EBITDA	15,566	15,017	13,713	10,563	8,908	9,276
• EBIT	10,341	10,084	9,045	6,145	4,493	4,578
• Net income/(loss), Group share	4,106	2,208	216	3,661	(1,536)	(1,536)
• Net recurring income, Group share	5,531	5,366	5,510	3,158	1,703	1,703
• Net recurring income relating to continued operations	5,531	5,366	5,223	2,927	1,726	1,703
3. Cash flow						
Cash flow from operating activities	13,144	13,117	8,586	7,312	7,589	7,589
of which cash generated from operations before net financial income/(loss) and income tax	14,401	14,407	12,415	9,806	8,506	8,788
Cash flow used in investing activities	(11,338)	(11,818)	(4,290)	(11,042)	(4,046)	(4,046)
Cash flow from/(used in) financing activities	(1,457)	(218)	(2,979)	4,848	(561)	(562)
4. Balance sheet						
Shareholders' equity	34,556	30,057	34,253	36,994	28,945	28,945
Total equity	41,458	35,724	39,285	41,980	33,856	33,856
Net debt	33,223	29,493	24,054	25,350	22,458	22,458
Debt/EBITDA	2.13	1.96	1.75	2.40	2.42	2.42
Total assets	189,544	194,640	235,490	225,333	153,182	153,182
5. Per-share data *(in euros)*						
• Average outstanding shares(2)	2,425,841,322	2,421,449,644	2,419,985,959	2,419,429,772	2,416,072,154	2,416,820,377
• Number of shares at period-end	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011
• Earnings/(loss) per share(2)	1.66	0.88	0.06	1.46	(0.71)	(0.71)
• Net recurring income, Group share, per share(2)	2.25	2.18	2.24	1.26	0.63	0.63
• Dividend paid(3)	1.48	1.43	1.40	0.85	0.53	0.53
6. Total average workforce	**100,480**	**98,791**	**98,020**	**174,027**	**175,873**	**175,873**
• Fully consolidated entities	97,322	96,816	96,116	171,754	173,398	173,398
• Proportionately consolidated entities	382	469	479	717	748	748
• Entities consolidated using the equity method	2,776	1,506	1,424	1,556	1,727	1,727

(1) *Comparative data at December 31, 2020 have been restated to reflect the classification of EQUANS assets held for sale as "Discontinued operations" in accordance with IFRS 5 (see Note 2 of Section 6.2.2 "Notes to the consolidated financial statements" of the 2021 Universal Registration Document).*

(2) *Earnings per share calculated on the basis of the average number of shares outstanding, net of treasury shares (see Note 12 Section 6.2.2 "Notes to the consolidated financial statements").*

(3) *2024: proposed to the Ordinary Shareholders' Meeting.*

1.5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE

The Group's sustainability performance is an essential part of its overall performance. It is based on commitments, policies and action plans to achieve dated and quantified ESG objectives (see Section 1.5.2).

Following the implementation of the Corporate Sustainability Reporting Directive, ESG performance is now presented in the Sustainability Statement (see Section 3.1), which lays out the governance, material matters and key ESG risks associated with the Group's activities and the corresponding outcomes.

It is subject to a limited assurance audit from 2024 (publication in 2025). External assessments are also carried out by the main non-financial rating agencies, mostly on an annual basis (see Section 1.5.3).

In accordance with the commitments made by the Group in 2023 to put its climate strategy to a shareholder vote with each major change and at the very least every three years (see Jean-Pierre Clamadieu's response to certain shareholders dated March 22, 2023: https://www.engie.com/en/general-meeting-april-2023), the updated climate strategy will be submitted to shareholders for approval at the Annual Shareholders' Meeting on April 24, 2025.

The Group also calculated its activities' eligibility and alignment rates under the European taxonomy for the fourth year. The results are shown in Section 3.1.2.3 "European Taxonomy".

1.5.1 ESG policies

Sustainability drives the Group's purpose, which is to accelerate the transition to a carbon-neutral economy, reconciling financial performance and a positive impact on people and the planet. This purpose, included in the bylaws by a vote of the Shareholders' Meeting in May 2020, guides the development of the business strategy through:

- the development of more energy-efficient and environmentally friendly activities, such as producing renewable energy to replace fossil-based energy, or in other words, the identification and transformation of environmental and societal issues into opportunities for the Group's businesses;
- the management of ESG risks and impacts stemming from its projects, activities and value chain, i.e., relating to the environment, social acceptability, health & safety, human resources, ethics, and governance.

Since publishing its first ESG policy in 2014, ENGIE has regularly reviewed its various policies in the many areas covered by ESG. A set of policies covering environmental, social and governance topics is now in place and is presented in the Sustainability Report.

All these policies are implemented by the Executive Committee under the supervision of the Board of Directors, whose ESG-related work is prepared by the Ethics, Environment and Sustainable Development Committee (EESDC).

For example, the Group has developed a tool applied to its investment projects to assess the main ESG topics through risk analyses: climate change mitigation, climate change adaptation, biodiversity, water and oceans, air pollution, circular economy, stakeholders, responsible sourcing and controversies.

Since 2018, ENGIE also has a Vigilance Plan, which can be consulted in Section 3.2.

These policies allow the Group to comply fully with the 18 Sustainable Development Goals for the United Nations' 2030 Agenda.

Lastly, an increasingly sizeable part of the Group's investments is funded through green bonds, demonstrating the market's recognition of their sustainability (see Section 5.3).

1.5.2 Achievement of ESG targets by 2030

The Group has set itself ambitious targets to be achieved by 2030, in order to meet its ESG commitments.

All the results of these targets are presented below (excluding EQUANS for 2022, entity disposed of on October 4, 2022).

Based on the Group's purpose, all these targets are part of a continuous improvement approach, to meet growing expectations of the Group's various stakeholders interested in ESG risk management and the alignment of its performance with national and international sustainable development goals.

PLANET METRICS		2030 targets	2024 results	2023 results	2022 results
CLIMATE TARGETS[1]					
Overall Group targets					
Total GHG emissions, Scopes 1, 2 (location-based) and 3 *(in Mt CO_2 eq.)*[2]		120/140	157	158	175
GHG emissions avoided by ENGIE offers and services *(in Mt CO_2 eq.)*		65/85	36	25	28
Group sector-specific targets					
GHG emissions from energy generation, Scopes 1 and 3.15 *(in Mt CO_2 eq.)* □□		26/36	48	52	60
GHG emissions from commodity sales, Scopes 3.3.D and 3.11 *(in Mt CO_2 eq.)*		63/83	82	81	-
of which GHG emissions related to fuel sales, Scope 3.11 *(in Mt CO_2 eq.)*		36/46	53	53	61
Methane emissions from gas infrastructure, Scope 1 *(in Mt CO_2 eq.)*		-50% vs. 2017	1.0	1.5	1.3
Other targets					
Share of renewable energy capacity in the electricity production mix (@ 100% and excluding energy storage)[3] □□		58%/66%	43%	41%	38%
Proportion of the top 250 preferred suppliers (excluding energy) certified by or aligned with the SBTi[4]		100%	44%	24%	23%
Carbon neutrality of GHG emissions related to our ways of working *(in Mt CO_2 eq.)*		0	0.3	0.3	0.3
SBTi[4] "Well-Below 2°C" certification targets					
Carbon intensity of energy generation and consumption, Scopes 1 and 2 *(in g CO_2 eq. per kWh)*[5]		103	107	135	156
Carbon intensity of energy sales produced and purchased, Scopes 1, 3.3.D and 3.15 *(in g CO_2 eq. per kWh)*[5]		143	202	225	221
Other GHG emissions, including Scope 3, from procurement, capital goods and the fuel and electricity purchased upstream, Scopes 3.1, 3.2, 3.3.A, 3.3.B, 3.3.C *(in Mt CO_2 eq.)*		89	86	82	90
NATURE TARGETS					
Environment – Percentage of activities with an environmental plan established in consultation with stakeholders		100%	74%	66%	53%
Biodiversity – Percentage of all the Group's industrial activities where ecological site management has been introduced, particularly without using chemical phytosanitary products		100%	63%	58%	34%
Fresh water consumption per energy produced *(m^3/MWh)*		0.1	0.24	0.28	0.30
Air pollutants	Percent reduction in NOx emissions vs. 2017 *(92,209 t)*	-75%	-75%	-63%	-46%
	Percent reduction in SOx emissions vs. 2017 *(159,623 t)*	-98%	-98%	-95%	-34%
	Percent reduction in total particulate matter emissions vs. 2017 *(7,353 t)*	-60%	-64%	-54%	-21%

□□ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

(1) *All Climate Objectives are described in Section 3.1.2.1 "Climate change".*

(2) *Scope 1 and Scope 2 (location-based) GHG emissions verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

(3) *Including decentralized electricity capacity. In 2024, the indicator consolidated gross capacity data for the Renewables GBU's wind and solar assets, and net capacity data for the Group's other assets. On February 27, 2025, the Group announced the setting of a new Renewables and Storage capacity target of 95 GW by 2030. This indicator will evolve accordingly.*

(4) *SBT (Science Based Targets): an international initiative to scientifically validate companies' GHG reduction programs in line with Paris Agreement commitments (see Section 3.1 "Sustainability Statement").*

(5) *Application in 2024 of a change in methodology to be consistent with market practices by reducing the thermal-to-electric energy conversion coefficient from 0.61 to 1.*

GHG emissions from energy generation (48 Mt CO_2 eq.) were down in 2024 compared to 2023 (52 Mt CO_2 eq.). They break down into 20 Mt for emissions from controlled assets (Scope 1) and 28 Mt for emissions from assets consolidated by the equity method (Scope 3). As a reminder, the full effect of the withdrawal from the Jorge Lacerda coal business in Brazil was taken into account in 2022 and 2023 saw the closure of the Pampa Sul coal business also in Brazil.

GHG emissions relating to fuel sales (Scope 3) amounted to 53 Mt CO_2 eq. in 2024, stable compared to 2023.

The share of renewable capacity in the electricity generation mix was 43%, up from 2023 (41%), in line with the Group's strategy to develop its renewable capacity. In 2024, the calculation methodology for this indicator changed to take into account gross capacity for wind and solar assets in the Renewables GBU scope, in order to better reflect the operational constraints of these assets. Restated for this change in methodology, the Group's renewable capacity share would be 42% at end-2024.

The CO_2 emissions avoided for customers thanks to the Group's offers and services in 2024 (36 Mt CO_2 eq. avoided) increased significantly compared with 2023 (25 Mt CO_2 eq.). This change is linked to the updating of the emission factors for energy sales consistent with the updated calculation methodology recommended by the World Business Council for Sustainable Development (WBCSD).

The decarbonization level of the top 250 preferred suppliers reached 44% in 2024, up on 2023. This improvement was due to action plans put in place across these preferred suppliers to encourage them to commit to SBT alignment or certification. The Group also continued to support all preferred suppliers in their journey to decarbonization, not just the top 250 preferred suppliers.

PEOPLE METRICS		2030 targets	2024 results	2023 results	2022 results
Health & safety	Lost Time Injury Rate(1) for employees, temporary workers and (sub)contractors	1.5	1.7	1.8	2.0
	Fatality rate(1)	0 each year	0.009	0.019	0.014
Gender diversity	Percentage of women in management positions☐☐	[40%-60%]	32%	31%	30%
W/M equity	Gender pay gap	<2%	1.85%	1.92%	1.73%
Apprenticeships	Proportion of apprentices in the workforce on permanent and fixed-term contracts in France excluding regulated entities GRDF and GRTgaz(2)	>10%	8.3%	8.5%	8.5%
Training	Percentage of staff trained each year	100%	95%	86%	84%
Responsible procurement	Responsible procurement ratio (excluding energy purchases): CSR assessment and inclusive procurement	100	59	54	38
Fraud and corruption prevention	Percentage of employees most exposed to corruption risk who received training	>95%	84%	68%	55%
Stakeholder engagement	Percentage of activities with a societal plan for consultation with stakeholders	100%	54%	49%	46%

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*
(1) Calculated per million hours worked.
(2) Scope revised for all periods to cover only France entities excluding regulated entities GRDF and GRTgaz.

The total Lost Time Injury Rate for employees and (sub)contractors stood at 1.7, representing an improvement compared with 2023 (1.8). In 2024, this indicator was extended to subcontractors and temporary workers working for the Group, with a more ambitious goal for the 2030 target, revised from 1.8 to 1.5.

The proportion of women in management was 32%, up compared with 2023 (31%). This improvement is the result of the continued effects of the Fifty-Fifty program, dedicated to the Group's cultural transformation in terms of welcoming and retaining female talent, thereby accelerating and supporting the promotion of gender equality.

As a reminder, the gender equity metric, previously referred to as the EgaPro index, was replaced in 2022 by the gender pay gap metric, which measures the pay gap between men and women. The objective for 2030 was set at a maximum difference of 2% at the Group level. This metric follows on from the EgaPro index and reflects a more ambitious target with the switch to a clearer international metric. The result in 2024 was 1.85%, an improvement on 2023 (1.92%).

The Group's social, environmental and societal metrics are included in the Sustainability Statement presented in Section 3.1.

1.5.3 ESG ratings

ENGIE's ESG performance was once again recognized in 2024.

The Group maintains high scores in ESG performance, placing it well above the average of the benchmarks used by various agencies.

The main ratings concerned are:

- S&P Global rating agency: 73/100;
- Moody's ESG rating agency: 73/100;
- Sustainalytics rating agency: high ESG risk with a rating of 30.2;
- MSCI rating agency: AA rating with a score of 7.6/10;
- Sustainable Fitch rating agency: rating of 2 with a score of 65/100;
- ISS ESG agency: B- Prime rating;
- EcoVadis agency: 73/100.

In particular, the Group is included in the Dow Jones Best-In-Class World Index, Euronext Sustainable World 120, Euronext Sustainable Europe 120, Euronext Sustainable Euro 120, Euronext Sustainable France 20, CAC 40 ESG, MSCI EMU ESG and Europe ESG indices.

Finally, as it does every year, ENGIE also takes the CDP (formerly the Carbon Disclosure Project) questionnaires. In terms of the fight against climate change, the Group was rated A- (versus B in 2023) following its answers to the CDP Climate questionnaire. In terms of the protection of water resources, the Group was rated A- (stable compared with 2023) following its answers to the CDP Water questionnaire. Lastly, the Group was rated B (versus C in 2023) for its efforts on sustainable management of wood resources, following its answers to the CDP Forest questionnaire.

Moody's published an assessment of the Group's carbon neutrality pathway up to 2045 on February 21, 2024: NZA-2 on a scale of five levels ranging from NZ-1 to NZ-5, with an ambition aligned with a 1.5°C pathway and a “solid” level for implementation of objectives. A summary of the assessment is available below and the full report can be accessed on the Moody's website (www.moodys.com/research/doc--PBC_1388307).

1.6 DESCRIPTION OF THE GROUP'S ACTIVITIES AT DECEMBER 31, 2024

This presentation is of the Group in 2024, under the new definition of Global Business Units (GBU) as of February 1, 2025 (see Section 1.1.3).

ENGIE was made up of four GBU associated with the Group's four main business lines (renewables, networks, energy solutions, FlexGen & Retail production and energy supply) and two operating entities (Nuclear and GEMS).

1.6.1 Renewables GBU

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	5,467	5,512	-0.8%
EBIT *(in millions of euros)*	2,198	2,005	+9.6%
Installed capacity *(GW)*	46.1	41.4	+11.4%

1.6.1.1 Purpose, organization and strategy

Purpose

The role of the Renewables GBU is to develop, build, finance, operate and maintain renewable electricity production assets in line with ENGIE's purpose to take action to accelerate the transition to a carbon-neutral economy. To this end, the GBU focuses its industrial, financial and energy management expertise on five main technologies:

- hydropower;
- solar power;
- onshore wind;
- offshore wind; and
- battery storage co-located with a renewable asset.

Organization

The Renewables GBU is organized around:

- four operating regions:
  - Europe,
  - North America,
  - South America,
  - Asia, Middle East and Africa (AMEA);
- four operational support departments:
  - Business development,
  - Operational performance,
  - Engineering, Technology & IT,
  - Procurement and projects,
- three support functions:
  - legal and ethics,
  - finance and strategy,
  - Human Resources, communication and ESG.

ENGIE's offshore wind activities are exclusively managed by Ocean Winds, a joint venture with EDP Renovàveis.

Strategy

The GBU is rolling out an industrial growth strategy based on the following pillars:

- being a leader in renewable energy. To this end, the majority of the future investments will be focused on the five historical priority markets of the GBU, chiefly France, Brazil, Chile and offshore wind, with a growing ambition in the AMEA region, particularly in India;
- focusing the Group's development on a develop-to-own model that keeps the assets on the balance sheet in mature geographic areas where ENGIE is the operator and manages the development risk;
- strengthening competitiveness by improving operational excellence, in particular through the rollout of a global industrial platform to share expertise and achieve scale effects in engineering, procurement, operation and maintenance (O&M);
- setting the Group apart by rolling out an integrated industrial model, benefiting from expertise throughout the value chain: project design and development, engineering, financing, purchase of key equipment, construction project management, asset management, operations and maintenance, and, in partnership with GEMS, market access routes and market risk management.

1.6.1.2 Risks specific to renewable energy (see Section 2.2)

The global political environment is generally favorable to the development of renewable energy sources because of social awareness of the need to reduce CO_2 emissions to combat climate change, combined with increased electricity needs generated by the electrification of uses and from digital technology and artificial intelligence. Trends towards lower costs and higher performance are encouraging the development of new technologies, particularly those combining intermittent renewable generation with battery storage. The targets for renewable energy capacity set in the various countries are often ambitious.

However, there are difficulties in achieving these, including:

- attracting and retaining talent in a market where competition is very strong;
- obtaining authorizations and access to the network in a timely manner;
- investing heavily in electricity transmission networks to support the growth of renewable installations;
- managing project costs in light of rising inflation and interest rates, equipment supply chain disruptions and technical and financial difficulties affecting some western suppliers, amid pressure to meet the scale of global demand.

To mitigate these risks, the Group relies on its global reach and local presence. Thanks to its global footprint, ENGIE is able to meet equipment procurement challenges by improving supplier access and synergies at a global level The Renewables GBU has a global industrial platform that supports projects in all countries where it operates, covering development, construction and operations, in support of local teams with a thorough knowledge of the local business environment.

Finally, in a context where market prices remain volatile and on a downward trend, ENGIE leverages GEMS to manage the market risks.

1.6.1.3 Activities in Europe

1.6.1.3.1 France

In France, ENGIE remains the number one generator of onshore wind and large-scale solar power, and also holds the number two position in the field of hydropower generation. The GBU aims to strengthen its position in onshore wind and solar power. It mainly positions itself on public tenders and contributes to the development of corporate PPA tenders.

In 2024, ENGIE commissioned almost 0.4 GW of new solar and onshore wind capacity in France.

The scope of activities in France comprises three subsidiaries owned by ENGIE, either solely or in partnership:

- ENGIE Green (100% owned by ENGIE), the French wind and solar leader based in Paris with around 660 employees and more than 4.1 GW installed capacity (2.6 GW onshore wind and 1.5 GW solar power);
- SHEM (Société Hydro-Électrique du Midi, 100% owned by ENGIE), based close to Toulouse, generates high-head hydropower (0.8 GW installed) in the South-West of France;
- CNR (Compagnie Nationale du Rhone, of which ENGIE is the principal shareholder with a 49.97% stake), based in Lyon, with 3.1 GW hydropower installed capacity along the Rhone river and its subsidiary CN'Air with 1 GW onshore wind and solar installed capacity at the end of 2024.

Regulatory changes

The main regulatory implementing provisions of the French law on the acceleration of renewable energy production adopted in March 2023 were published in 2024. These provisions particularly address the development of agrivoltaism, the imperative reason of major public interest and anticipation of the development of electricity networks. The Long Term Energy Schedule underwent public consultation until mid-December 2024. The objective is to achieve confirmation in 2025 of the renewable energy production targets for 2035. The reform of the legal framework for hydropower concessions was included in the scope of a commission of inquiry of the French Senate and a fact-finding mission of the French National Assembly. The challenge is to find a solution to the dispute initiated by the European Commission against France in order to open the way for new investments in hydropower. However, CNR, which falls under a special regime and whose concession was extended by Parliament until 2041, can make the necessary investments stipulated in the concession contract.

1.6.1.3.2 Rest of Europe

In addition to its leadership position in France, the Group continues to accelerate its business in the rest of Europe by developing a strong portfolio of projects, with different maturities and in targeted geographic areas.

In Europe (excluding France) at end-2024, the Group operated 1.9 GW of hydropower (mainly in the Iberian Peninsula), 3.5 GW of onshore wind power (mainly in Spain, Portugal and Belgium), 0.5 GW of solar power (mainly in Spain and Italy) and 0.05 GW of battery storage co-located with renewable assets. In 2024, ENGIE added more than 0.3 GW of renewable capacities in Europe (excluding Ocean Winds), mainly in France, Romania, Italy, Poland and Spain.

In the field of hydropower generation, ENGIE, in partnership with Crédit Agricole Assurances and Mirova, has a strong position in **Portugal** with a 1.7 GW hydropower portfolio in the north-east of the country. The Group is also present in **Spain** with a portfolio of small hydropower plants (totaling 0.06 GW) and **Germany**, where it operates the Pfreimd hydropower plant (0.1 GW).

The Group's onshore wind power capacities are mainly located in **Spain** (1.4 GW), **Belgium** (0.6 GW), **Portugal** (0.3 GW), **Italy** (0.4 GW), **Germany** (0.2 GW), **Poland** (0.2 GW) and **Romania** (0.2 GW).

The Group also has 0.6 GW of solar power assets in Europe outside France, mainly in **Spain** (0.2 GW), **Italy** (0.1 GW), **Poland** (0.1 GW), **the Netherlands** (0.04 GW), **Romania** and the **United Kingdom**.

1.6.1.3.3 Offshore wind activities through Ocean Winds (OW)

Ocean Winds (OW) is a joint venture created in 2019 by EDP Renovàveis and ENGIE, combining fixed and floating wind assets, mainly in Europe, the United States and some areas in Asia. At the end of 2024, the joint venture operated an installed capacity of 1.9 GW (1.4 GW in the United Kingdom, 0.5 GW in Belgium and 0.03 GW in Portugal). Construction was under way on three offshore wind projects in 2024, including 1 GW in France and 0.9 GW in the United Kingdom.

1.6.1.4 Activities in North America

North America is a priority market for ENGIE's growth in renewable energy, with a large proportion of assets contracted to Commercial and Industrial (C&I) customers through corporate PPAs. In 2024, the Group signed 1.5 GW's worth of corporate PPAs in the United States.

At the end of 2024, ENGIE's operational asset portfolio consisted of 3.9 GW of onshore wind (3.2 GW in the United States and 0.7 GW in Canada), 2.8 GW of solar in the United States and 0.7 GW of battery storage in the United States. The vast majority of this operational portfolio is located in five areas: ERCOT (Electric Reliability Council of Texas), SPP (Southwest Power Pool), PJM (Pennsylvania, New Jersey, Maryland) and MISO (Midcontinent Independent System Operator) in the United States and in Ontario (Canada). In 2024, ENGIE commissioned almost 1 GW (0.8 GW of solar and 0.1 GW of batteries associated with renewable assets).

Regulatory changes

The Inflation Reduction Act (IRA), adopted in the United States in August 2022, is expected to generate an estimated investment of USD 370 billion (around €350 billion) in renewable energy over the 2023-2033 period. The IRA includes federal tax credits to encourage investment in renewable energy technologies and to combat climate change through carbon storage, the production of renewable fuels and the installation of renewable energy equipment production resources. The package of measures includes more than USD 60 billion (around €57 billion) to support the generation of clean energy along the US coastline. These measures should double the pace of renewable energy development, while stimulating the relocation of renewable energy supply chains, in particular manufacturing. To date, the IRA is not expected to be challenged by the new US government following the November 2024 presidential election.

1.6.1.5 Activities in South America

Two of ENGIE's five key markets are located in South America, where the Group has strong positions with 12.1 GW of hydropower (mainly in Brazil), 2.4 GW of onshore wind, 1.4 GW of solar power and 0.1 GW of battery storage.

In 2024 in Brazil, ENGIE began construction of the largest solar and wind farms in its global portfolio, 0.8 GW for solar and 0.9 GW for wind, and also finalized the agreement to acquire 0.5 GW of operational solar assets.

In **Brazil**, ENGIE operates 11.7 GW of hydropower, 2.3 GW of onshore wind and 1 GW of solar power.

ENGIE Brasil Participações Ltda (EBP, 100% ENGIE subsidiary), holds 68.71% of the share capital of ENGIE Brasil Energia (EBE), which is responsible for the centralized electricity production and transportation business. EBP has a 40% interest in Energia Sustentavel do Brasil Participações S.A., which owns the Jirau hydropower power plant (3.8 GW).

In **Chile**, through its 60%-owned subsidiary ENGIE Energia Chile (EECL), ENGIE has 1.4 GW of renewable capacity, including 0.65 GW of solar power, 0.3 GW of onshore wind power and 0.25 GW of battery storage co-located with an existing solar park, and 0.05 GW of hydropower.

In **Mexico**, the Group operates 0.9 GW (0.7 GW from solar power, 0.2 GW from onshore wind and 0.03 GW from battery storage).

In **Peru**, ENGIE, through ENGIE Energia Peru (61.77%-owned by ENGIE), operates 0.3 GW of hydropower capacity, 0.04 GW of solar capacity and the Punta Lomitas onshore wind farm (0.3 GW). This wind farm is the largest in the country and is taking over the Power Purchase Agreement from the Ilo21 coal-fired power plant that ceased to operate.

1.6.1.6 Activities in Asia, Middle East and Africa

ENGIE operates 3 GW of capacity in the region, including 1.5 GW from solar power and 1.5 GW from onshore wind power, including 0.3 GW from the acquisition in 2023 of BTE Renewables in South Africa.

The acquisition of BTE Renewables, the leading developer, owner and operator of renewable assets in Africa, strengthens ENGIE's position in **South Africa**, which stands at 0.7 GW of installed capacity (0.3 GW onshore wind and 0.4 GW solar power). It paves the way for accelerated development as this acquisition is accompanied by a 3 GW portfolio of advanced development projects.

In **India**, ENGIE holds a portfolio of around 1.1 GW in renewable energy, including 0.9 GW solar and 0.3 GW onshore wind. In 2024, the Group commissioned 0.5 GW of new solar capacity.

ENGIE also operates assets in **Morocco** (0.3 GW onshore wind), **Egypt** (0.6 GW onshore wind), where the Group is also building a 500 MW wind project (partially commissioned in 2024), **Australia** (0.2 GW onshore wind) and **Malaysia** (0.1 GW solar).

1.6.2 Networks GBU

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	7,231	6,873	+5.2%
EBIT *(in millions of euros)*	2,460	2,265	+8.6%
Length of gas distribution networks *(in km)*	260,488	258,512	+0.8%
Length of gas transmission networks *(in km)*	39,634	39,629	0%
Length of electricity transmission networks *(in km)*	5,439	5,720	-4.9%

1.6.2.1 Purpose, organization and strategy

The Networks GBU is responsible for developing, operating and maintaining gas networks (distribution and transport networks, storage and LNG terminals) and electricity networks. It is also responsible for renewable gas production.

ENGIE is the leading gas network operator in Europe, and has 8,000 km of power lines in operation, under construction or under development in South America. ENGIE is also the second-largest producer of biomethane in France.

Electricity and gas networks are key to the energy transition:

- gas, which is gradually being greened through the development of renewable gases (biomethane, hydrogen, e-methane), is an essential vector in the energy transition;
- electricity grids are an integral part of the development of renewable energies, which need to be connected, transported and distributed.

The strategy implemented by the Networks GBU can be summed up in four points:

- ensure the operational performance of the Group's gas and electricity networks;
- adapt ENGIE's gas networks to renewable gases (biomethane, hydrogen, e-methane);
- accelerate the production of renewable gases (biomethane, hydrogen, e-methane) in France and in some target countries abroad;
- accelerate the development of electricity grids internationally.

Market and competitive environment

An independent national regulator is establishing a network remuneration system with formulas whose parameters are generally reviewed every four years. There is very little, or even no, competition between the various players due to the nature of transmission and distribution assets, and the regulated nature of their markets. In Europe, which is ENGIE's main market, the main network grid managers are EDF, National Grid, Enel and E.ON, with exposure mostly to electricity networks.

The business model for ENGIE's gas infrastructure and electricity networks is, with one exception (TAG network, see Section 1.6.2.3), mainly regulated. Regulations are currently being defined that will apply to the development of hydrogen infrastructure, which could be built by ENGIE subsidiaries in charge of gas infrastructure in compliance with legal or accounting separation obligations and non-discriminatory third-party access rules.

Activity relating to biomethane remains local and fragmented with a large number of players (local developers, companies specialized in biomethane production, oil and gas companies, utilities). Leaders have emerged among these and have built their development locally, such as Archaea Energy in the United States, Malucelli in Brazil and SGN in the United Kingdom. Acquisition operations have allowed international players in the oil and gas industry and utilities to build up a portfolio of European as well as global assets and projects.

The Group plans to maintain the current level of investment in green gases. This approach is largely supported by a rapidly developing regulatory framework supporting the sharp rise in the use of hydrogen and biomethane in the European Union. The gas package adopted in April 2024 sets a European biomethane production target (35 bpm by 2030), and defines low-carbon gases, a regulatory framework for hydrogen infrastructure regulation and infrastructure planning obligations, the implementation of which is entrusted to Member States and operators.

France's political strategy concerning the energy transition aims to achieve carbon neutrality by 2050. The priorities of France's climate and energy policy are being updated to reflect the future French Energy-Climate Strategy (*Stratégie Française sur l'Énergie et le Climat* – SFEC). The main findings of the CRE report of April 2023 on the future of gas infrastructure, the conclusions of the public consultation on "decarbonizing the building industry" organized in summer 2023 (highlighting the difficulties associated with a possible ban on the installation of new gas boilers in existing homes), and the public consultation organized in November-December 2024 on the draft 2025-2035 Multi-Annual Energy Plan 3 (PPE3) all demonstrate the importance of gas in a balanced energy mix, which the Group champions. While the longer-term role of gas (biomethane from different technological procedures, green and blue hydrogen, fossil methane coupled with CO_2 capture and sequestration) in the decarbonization of the French economy remains uncertain, different for each type of consumer and still under discussion within the framework of the National Low-Carbon Strategy (*Stratégie Nationale Bas Carbone* – SNBC), replacing gas entirely by electricity is unfeasible both for technical reasons (gas is indispensable for certain industrial processes, and heat pumps cannot be installed in all types of buildings) and economic reasons (excess investments needed in the electricity system if it were unable to provide the flexibility provided by the gas system).

1.6.2.2 Activities in France

1.6.2.2.1 GRDF

In France, GRDF, an independent subsidiary of ENGIE, develops, operates and maintains distribution networks (201,000 km of networks) and delivers gas for consumers. GRDF is tasked with giving all gas suppliers and biomethane producers equal access to its network. Its new business plan, based on decarbonization, positions the company on a pathway compatible with the Paris Agreement. Its activities are being decarbonized across the three scopes through the transformation of its business lines, a world first for a gas distribution company. The business plan aims to increase the injection of renewable and low-carbon gases into the networks five-fold by 2030 and to halve the company's greenhouse gas emissions. It includes support for its stakeholders through their own decarbonization process.

The distribution activity has specific features related to its classification as a local utility. Each municipality where gas supply is available grants a concession to an authorized distributor to operate the gas distribution utility in its territory. Concessions are entered into or renewed based on a standard agreement established jointly by the French national federation of concession-granting and state-controlled municipalities (*Fédération nationale des collectivités concédantes et régies* – FNCCR), the Urban Landowners' Association (*Association foncière urbaine* – AFU) and GRDF. The concession-granting bodies then carry out controls to ensure that the requirements arising from these concession agreements are properly fulfilled. In 2022, a new standard concession agreement was adopted by the FNCCR, France Urbaine (the French association for metropolises, urban communities and large cities) and GRDF. This agreement reflects several major changes: in addition to challenges relating to the network's safety and modernization, it focuses on an improved response to territorial challenges to support the local energy transition; clear management and control of investment decisions (investment blueprints and multi-annual investment programs); and the implementation of service quality metrics, with penalties for GRDF in the event of failure to meet commitments. At end-2024, around 300 new agreements had been signed with large cities, metropolises and energy syndicates based on this new standard. These long-term agreements – up to 30 years – demonstrate the value recognized by the authorities of the gas network in the energy transition over the long term.

Distribution structures belong to the municipalities even when they are built and financed by GRDF. As the concession operator, GRDF has exclusive use of these structures. The French Energy Code (*Code de l'énergie*) recognizes the entitlement of the historical concession operators, i.e., GRDF and 22 local distribution companies, to exclusive service areas. As holders of a "distribution monopoly" they are the sole operators with which the conceding municipalities may renew the concession.

Apart from the exclusive service areas of GRDF and the local distribution companies, all city authorities not supplied with gas may entrust their public gas distribution to the authorized operator of their choice, following a competitive bidding process.

Regulatory changes

Apart from this specific case of public service delegations recently awarded after a competitive bidding process, GRDF's activity is remunerated by a tariff set by the French Energy Regulatory Commission (*Commission de régulation de l'énergie* – CRE). The current tariff, "ATRD7", has applied since July 1, 2024 for a period of four years across GRDF's exclusive service area.

With an increase of 27.5%, three-quarters of which results from a carryover effect due to the risks accounted for in the previous tariff period (health crisis, energy crisis and climate hazards), this new tariff incorporates changes to the framework and structure that make the regulatory model for gas distribution infrastructure more resilient, as a way of preparing for the future.

It enables GRDF to fulfill its essential missions in serving local authorities and its residential and industrial customers, the most important of which remains network safety. Over the ATRD7 period, GRDF has the resources it needs to implement its major projects, such as the shift to greener gas and the gas changeover project to convert from B gas to H gas in northern France.

In addition to the major drive to integrate biomethane in the networks, GRDF continues to roll out its R&D program to prepare for the inclusion of new renewable gases, with the aim of fully assuming its role in supporting decarbonization and maintaining a balanced, diversified energy mix.

For the period 2024-2027, CRE has set a compensation rate for GRDF's regulated asset base (RAB) of 4.0% – actual rate before tax – for assets commissioned before 2024, and 5.3% – nominal rate before tax – for investments made from 2024 onwards.

Once a year, the CRE decides on any tariff changes to accurately align with the current economic climate and actual consumption.

1.6.2.2.2 GRTgaz[(1)]

GRTgaz is an independent ENGIE subsidiary owned by ENGIE, SIG and SIG's employees, which have respective stakes in its capital of 60.8%, 38.6% and 0.6%.

Activities

GRTgaz operates across most of France, developing, operating and maintaining a gas transmission network comprising more than 32,000 km of buried pipeline and 26 compression stations. The network transmits gas between suppliers, biomethane producers and consumers (distributors or industrial companies directly connected to the transport network). GRTgaz operates its network in a secure and optimized way and provides transport services to network users. It has a public service mandate to guarantee the continuous supply of gas to consumers and facilitate better integration of the European gas markets.

GRTgaz, and its Elengy subsidiaries, which operate LNG terminals in France, and GRTgaz Deutschland, which operates the MEGAL transport network in Germany, play a key role on the European gas networks stage.

Regulatory changes

By resolution of January 30, 2024, the CRE defined the methodology and set the tariffs for the use of transport networks in France known as "ATRT8," applicable for 2024-2027. Within this framework, and given the methodology and inflation assumptions used, the various pricing terms increased by around 19% on average in 2024 compared with the applicable tariff. The pricing terms will then be adjusted for inflation each year, plus or minus any corrective terms. This decision also sets the compensation rate for assets integrated into the RAB before December 31, 2023 at 4.1% (actual rate before tax). New assets (integrated into the RAB after that date) will be compensated by a nominal rate of 5.4% before tax, with the term of the regulatory reduction falling from 50 years to 30 years for new pipelines. As a reminder, the compensation rate for GRTgaz's regulated assets was 4.25% for 2020-2023.

(1) *Renamed NaTran on January 30, 2025.*

On June 13, 2024, the European Commission published Directive (EU) 2024/1788 on common rules for the internal markets for renewable gas, natural gas and hydrogen. To support this directive, Regulation (EU) 2024/1789 of June 13, 2024 was published on the internal markets for renewable gas, natural gas and hydrogen. In particular, these documents define a framework for regulating access to hydrogen infrastructure, similar to that for natural gas. These provisions will have to be transposed into French law. As a result of this legislation, GRTgaz intends to position itself as a hydrogen transport network operator.

Projects launched or completed during 2024

GRTgaz, a player in the energy transition, invests in innovative solutions that favor the development, injection into the networks and use of renewable, low-carbon gas (biomethane and hydrogen), and thus contributes to the achievement of carbon neutrality.

GRTgaz is contributing to the growth of hydrogen as an energy carrier by developing hydrogen transport network projects within the fastest growing hydrogen production and consumption basins, including: in Dunkirk (Dhune project), Saarland (MosaHyc project), Alsace (RHyn project) and Marseille (HYnframed project). GRTgaz is also part of the H2med project that will connect the Iberian Peninsula with Germany, primarily through the Barcelona-Marseille offshore pipeline project and the Hy-FEN project between Marseille and Germany.

GRTgaz is involved in the emergence of carbon capture, use and storage for the pipeline logistics part. GRTgaz is involved in four CO_2 transport projects in France in Dunkirk (onshore pipeline and offshore facility leading to Norway), Saint-Nazaire and its hinterland and Fos-sur-Mer.

In addition, the production of biomethane has continued to increase, reaching an injection capacity of 13 TWh per year at end-2024 for the GRTgaz and GRDF networks in France. These developments have improved the security of the energy supply and boosted European gas solidarity.

Gas consumption and flows

Compared to 2023, consumption was stable for industry (excluding centralized electricity production), back up from the drop seen in 2022 (at the time due to high energy prices, which have since come down). Gas consumption for buildings was also stable. Lastly, gas consumption for electricity production fell sharply as a result of lower electricity prices, reflecting the relative abundance of nuclear and renewable (especially hydro) power generation, and low electricity demand in the first half of 2024 (source RTE). As GRTgaz's revenues mainly consist of transport capacity sales, the impact of short-term changes in volumes actually consumed in France is minimal.

In 2024, as in 2023, the gas transmission activity remained marked by the almost total suspension of Russian gas imports into Europe by pipeline in 2022, which has since led to a major increase in LNG imports to compensate. Flows which previously came from countries to the east of France decreased markedly, or even reversed, with France at times becoming a delivery point for gas heading to the east, notably to Belgium and Germany.

This change was made possible by GRTgaz's network, which has been significantly enhanced over the past 10 years, and by the streamlining of its use. GRTgaz authorized an increase in the injection of gas from LNG terminals into the network and outbound exports to Germany through the Obergailbach interface point. GRTgaz has also maintained the Ecogaz system, launched last year, to encourage customers to reduce their gas consumption during peak periods if they are able to. All these factors ensured the security of gas supply in France during winter 2023-2024.

1.6.2.2.3 Elengy

LNG terminals are port facilities that allow liquefied natural gas (LNG) to be received and regasified. Elengy has developed additional services since 2012, such as the reloading of LNG tankers, transshipment between vessels, and LNG tank truck loading.

Elengy is one of the largest European LNG terminal operators, with three LNG terminals in France. The Elengy installations had a total regasification capacity of 21.5 billion m^3 (Gm3) of gas per annum as of December 31, 2024. Elengy wholly owns its three terminals and has been a subsidiary of GRTgaz, an independent subsidiary of ENGIE, since 2017.

Since the beginning of the crisis in Ukraine in 2022, French LNG terminals have been operating at maximum capacity to meet the increased demand for LNG. The maximum capacity of the Fos Cavaou terminal has been increased to 117 TWh per year thanks to the technical and regulatory debottlenecking of the terminal.

Elengy plays a crucial role in France's and Europe's energy security and is firmly committed to the transition to a low-carbon economy. Elengy is therefore fully committed to the decarbonization pathway through the following three strategic areas:

- the decarbonization of its assets and activities, by transforming terminals into multi-service hubs for long-term decarbonization;
- the decarbonization of heavy mobility (land and sea);
- the decarbonization of industrial plants, notably through Carbon Capture Use and Storage - CCUS projects ("GO-CO_2" to decarbonize industrial sites in western France and "Rhône CO_2" in the Rhône Valley), as well as the Medhyterra project to redevelop part of the Fos Tonkin LNG terminal into a low-carbon ammonia import terminal.

Installations

The Montoir-de-Bretagne terminal, commissioned in 1980, is located on the Atlantic coast and receives LNG from various sources. It has a regasification capacity of 10 Gm^3 of gas per annum and three tanks with a total capacity of 360,000 m^3 of LNG. The two docks can accommodate tankers transporting up to 267,000 m^3 of LNG, including Qmax LNG tankers. The terminal also handles a significant volume of LNG transshipments.

Commissioned in 1972, the Fos Tonkin terminal is located on the Mediterranean coast and receives LNG primarily from Algeria. Its dock can accommodate vessels carrying up to 75,000 m^3 of LNG while its tank has a total capacity of 80,000 m^3. Its commercial capacity is 1.5 G m^3.

The Fos Cavaou terminal was commissioned in 2010. Its current regasification capacity is 10 G m^3 of gas per annum. It has one dock that can accommodate Q-max tankers and three tanks with a total capacity of 330,000 m^3 of LNG. The terminal is also used for reloading LNG tankers and loading trucks for small-scale LNG. Two new bays were opened at Fos Cavaou, bringing total capacity to 22,000 loading slots per year.

Regulatory changes

The LNG terminals are accessible to all LNG suppliers. Access to regasification is regulated. The regasification tariffs in force since April 1, 2021 were revised by the CRE on January 31, 2023, with application as from April 1, 2023.

The CRE's deliberation dated January 9, 2025 of a draft decision on the tariff for the use of regulated LNG terminals (ATTM7) sets the usage tariffs for the period starting April 1, 2025. In particular, it reduces the maximum term for the regulatory reduction to 20 years for new investments at the Fos Cavaou terminal, a period already applicable to the Montoir-de-Bretagne terminal.

The micro-LNG and LNG tanker transshipment and loading services are not regulated.

1.6.2.2.4 Storengy

With Storengy, the Group is the leader in natural gas underground storage in Europe, with net storage capacity of 12.2 billion m^3.

Gas storage and conversion to renewable gas

In **France**, Storengy S.A. operates 14 underground storage installations: nine of these are in aquifers (total useful storage volume of 9 billion m^3), four are in salt caverns (1 billion m^3) and one is in a depleted field (80 million m^3). Two of these sites are in reduced operation according to precise regulatory procedures.

Following a reduced start up in 2012, Storengy restarted the Trois-Fontaines-l'Abbaye site in January 2023. Restarting existing installations allows some of the gas still in the storage site's reservoir to be withdrawn. Revenues from the sale of this gas will contribute to the dismantling or reconversion of the site at the end of its operating period, in around 10 years' time. This restart is part of the overall project to fully rehabilitate the site in consultation with local partners (administration, public bodies, communities, non-profit organizations and residents).

In **Germany**, Storengy Deutschland operates six storage facilities (1.7 billion m^3; three salt sites and three depleted sites, one of which was dismantled in October 2024) and operates a seventh storage facility for a third party.

In the **United Kingdom**, Storengy UK Ltd operates the storage site in saline caverns in Stublach (400 million m^3). With its 20 cavities, this storage facility is currently the largest onshore storage facility in the United Kingdom.

In Europe, Storengy is preparing to convert storage assets to renewable gas (biomethane, synthetic methane, hydrogen) in order to add value to gas storage in a decarbonized market. Storengy is finalizing the HyPSTER pilot project at its Etrez site and is developing the GeoH2 project at its Manosque site. Other projects are being studied, Storgrhyn in France's Grand Est region, Hynet in the UK and Salthy in Germany, two markets with major goals for the development of hydrogen and networks.

Regulatory changes

In October 2024, gas storage levels in **the European Union (EU)** reached historic levels, with a 95% fill rate, reinforcing energy security on the European continent as winter approaches.

The EU set a binding target to fill gas storage facilities to at least 90% by November 1 each year. This target was achieved as early as August 2024, two months ahead of schedule, in line with the performance recorded in 2023.

These high storage levels were made possible by several factors, including a relatively mild winter in 2022/2023, reduced demand and improved imports, with LNG accounting for a larger share of supplies.

In the context of the transition to renewable energy, gas storage continues to play a key role in the energy system. Renewables contribute not only to security of supply, but also to stabilizing energy markets, which is essential for the transition to a low-carbon, low-cost energy system.

Since 2022, Storengy's sites have always been filled to 90% or more before the European November 1 deadline.

More specifically on the revenue model, the decision of the *Commission de régulation de l'énergie* (CRE) on January 31, 2024 sets the terms and conditions of the ATS3 tariff for Storengy France for the period 2024-2027. The compensation rate for assets integrated into the regulated asset base (RAB) before December 31, 2023 is 4.6% real before tax. In addition, new assets (integrated into the RAB after that date) will be compensated by a nominal rate of 5.9% before tax, over a period of 30 years rather than 50 years.

1.6.2.2.5 Renewable Gases Europe

In July 2023, the Renewable Gases Europe entity was created, to develop various forms of renewable and low-carbon gas production. With more than 300 employees at end 2024, this entity operates more than 40 sites in France, the United Kingdom, the Netherlands and Belgium. It also includes an engineering team mainly active in France and the Netherlands, which supports the design and construction of projects throughout Europe. Business Development teams are also on hand to help develop new projects locally.

Biomethane demand is set to grow significantly in a favorable environment, as the European Commission decided in 2022 to double its biomethane production target to 35 billion cubic meters by 2030, which is equivalent to around 380 terrawatt-hours (TWh). According to the scenario recently published by ENGIE on decarbonization pathways in Europe, in order to meet the European "Fit for 55" targets, 450 TWh of low-carbon gas must be made available by 2030 from among all technological processes (methanization, pyrogasification, renewable hydrogen and all its derivatives and natural gas associated with the capture and storage of CO_2).

The Group aims for 10 TWh of production by 2030 in Europe, led by France, the United Kingdom, Belgium and the Netherlands, where it already operates anaerobic digestion plants. The installed capacity of Renewable Gases Europe units now exceeds one TWh of annual production, and many projects are under development in several European countries.

1.6.2.3 Activities in America

ENGIE has become one of the biggest power network players in South America.

In **Chile**, ENGIE owns a 59.99% stake in ENGIE Energía Chile (EECL). This company operates 2,128 km of electricity transmission lines and 28 substations, including S/E Roncacho and S/E, which were commissioned in 2024. The Group also has two substations under construction (La Ligua and Totihue), 12 km of 220 kV line (Nueva Chuquicamata-Calama second circuit) and 22.4 km of 66 kV line (Totihue-Rosario). EECL also owns 50% of Transmisora Electrica del Norte (TEN). This company operates 1,204 km of transmission lines and four substations that interconnect Chile's North and Central electricity grids. In the gas business, ENGIE holds a 63% stake in GNL Mejillones, an LNG regasification terminal with a 5.5 Mm^3/day capacity, located in Northern Chile, and 100% in ENGIE Gas Chile and ENGIE Stream Solutions Chile, which are dedicated to selling natural gas through distribution pipelines and LNG by trucks. Additionally, its subsidiary EECL holds 100% of Gasoducto NorAndino, an approximately 1,100 km gas pipeline, with a gas interconnection between Argentina and Chile.

In **Mexico**, ENGIE operates eight local distribution companies providing natural gas to nearly 686,784 customers through a 14,218 km network located in the country's major industrial hubs: Bajío, Mexico state, Jalisco, Puebla-Tlaxcala, Querétaro, Reynosa-Matamoros, Tampico and Merida. ENGIE also operates three gas pipelines with a total length of 1,311 km supplying natural gas to areas undergoing significant economic development in Bajío (Bajío gas pipelines), central Mexico (Los Ramones II Sur gas pipelines) and the Yucatan Peninsula (Energía Mayakan). The Bajío gas pipeline, at 204 km in length, supplies one of Mexico's most dynamic regions. In 2016, ENGIE strengthened its presence in this region with the Los Ramones II Sur gas pipeline which forms part of the Los Ramones national gas transmission system (SISTRANGAS), considered one of the largest gas networks to be built in Mexico in recent years. ENGIE developed Los Ramones II Sur in partnership with Brookfield and the public company Pemex, which own 45% and 5% of the network respectively. In the Yucatan peninsula, ENGIE jointly operates the Mayakan pipeline, a 700 km long gas pipeline that supplies natural gas to the entire peninsula, under a TSA contract with the *Comision Federal de Electricidad*, covering 96% of its capacity. It has been extended until 2050, for the same capacity. With this agreement, ENGIE will be able to expand its gas transmission network operations and contribute to the security of supply of the region.

In **Peru**, ENGIE owns a 62% stake in ENGIE Energia Peru, via which it operates more than 900 km of power transmission lines.

In **Brazil**, ENGIE has been active in the power transmission business since December 2017. ENGIE Brazil Energia (EBE) won an auction for the Gralha Azul project, 1,000 km transmission lines and five substations in the southern state of Paraná. In January 2020, ENGIE purchased the Novo Estado projects from Sterlite, the holder of a concession for the construction, operation and maintenance of 1,800 km of transmission lines in the states of Pará and Tocantins, also including the construction of a new substation and upgrades to three existing substations in the two states. The Gralha Azul project has been fully operational since July 2022, as has the Novo Estado project since February 2023. In 2022, EBE was awarded the Gavião Real project, in the state of Para, for the construction of a new 230/138 kV substation and a transmission line of 1.5 km for a total investment of €18 million. It was commissioned in March 2024. In June 2023, ENGIE won at auction the Asa Branca project to build a 500 kV power line of 1,000 km in length and to reinforce five substations, to connect renewable electricity production from the north-eastern state of Bahia to the state of Esperito Santo in the south-east. The investment is estimated at €520 million with commissioning expected in 2025.

In gas networks, ENGIE completed the acquisition of TAG's transport assets in 2020 through a consortium comprising ENGIE, with a 65% stake, and the Caisse es Dépôt et Placement du Québec (CDPQ), with the remaining 35% stake. In January 2024, the Group completed the sale of a 15% stake in TAG to CDPQ (current partner). TAG is one of the biggest natural gas transmission companies on the regulated market in Brazil, with a network of approximately 4,500 km pipelines in operation and 100 km under construction, representing around 45% of the country's total gas networks. TAG has 11 gas compression installations, 14 gas entry points (including three LNG terminals in operation and a third under construction) and 90 gas delivery points in operation and two under construction. TAG transports natural gas to 10 local distribution companies (LDCs), refineries, fertilizer plants and thermal power plants. In 2022, TAG finalized the takeover of its operations, set up an autonomous supervision and control center (CSC) in Rio de Janeiro, and successfully launched an entry and exit capacity booking process, growing from one to more than 20 new shippers. TAG is continuously expanding its product portfolio and diversifying its shipper profile. New contracts with producers, local distributors and large consumers currently account for a significant proportion of TAG's revenues. The shipper portfolio includes major international oil and gas companies such as Shell, Equinor and Galp. In addition, several new projects are currently under review, development or construction. Two major investment projects were recently completed:

- GASFOR II, an 84 km gas pipeline (loop in the existing network); and an investment of around BRL 600 million (no indexed value);
- a connection to the Sergipe LNG terminal with a 25 km pipeline; and a total investment of around BRL 375 million (no indexed value).

Lastly, ESOM, the company incorporated by ENGIE primarily to maintain TAG's 4,500 km network, through 16 operating sites, has been fully operational since July 2022 and has achieved high performance scores.

In the **United States**, ENGIE is dismantling the Neptune LNG LLC regasification terminal off the coast of Boston. ENGIE is also developing the business of operating electricity transmission lines, to support its many renewable energy production assets (solar, wind and batteries). Finally, ENGIE is investigating the possibility of developing hydrogen storage to support hydrogen production projects and developing hydrogen thermal power plants by 2030.

Regulatory changes

In **Chile**, three main processes were completed or started in 2024:

1) (2020-2023) Inter-period measurement: process aimed at including any element that might have been omitted in the 2020-2023 transportation assessment process in the measurement of transportation assets and its associated tariff. Final report published in March, the effects on ENGIE and TEN were positive both as exceptional items due to the retroactive effect on 2020-2023 and additional recurring revenue. Invoicing for the updated rates began in October.
2) (2024-2027) Qualification of transportation assets: part of the 2024-2027 transportation assessment process that determines whether each asset qualifies as a public service for the four-year tariff period concerned. Overall, results were in line with the expectations of last year's budget process (V1'24 PMT 2025-2026), with the additional positive impact of two transmission lines and two substations qualifying as public utilities thanks to ENGIE's actions.
3) (2024-2027) Measurement of transportation assets: began in September with a public tender for an independent consultant to carry out a measurement study of regional and national public service transportation assets. No bids were submitted for the national assets, forcing the authority to hold a new bidding process, adding two to three months to the already significant delays.

In **Mexico**, regulation of the natural gas sector continues to develop with new environmental standards for the reduction of methane emissions, industrial safety and environmental protection. The Energy Regulatory Commission (CRE) is conducting a process of consultation with gas sector players with a view to changing the current regulations. ENGIE takes an active part in this process through meetings and working groups with the CRE and the Mexican Natural Gas Association.

The main regulatory processes for distribution and transmission permits include:

- the strategy of renewing transmission and distribution licenses near expiration (valid for 30 years), which will ensure operations and regulatory compliance for at least another 15 years. The first ENGIE processes will begin in 2025;
- submission of the five-year tariff approval applications to the CRE for 2025 and 2026.

In **Brazil:**

- in April 2021, a new gas law was adopted, but there has been no regulation from the National Regulatory Agency (ANP) since that date;
- in order to ensure that the Brazilian gas market is opened up successfully, federal legislation must be harmonized with state legislation as the ANP regulates activities upstream and midstream, whereas each state's local agency regulates downstream activities (27 natural gas distribution companies);
- the main risk for gas transmission activities is the bypassing of networks, with projects directly linking gas supply sources to the point of consumption (mainly thermal power plants, which represent around 40% of the country's total demand). The legal framework of the new law requires improvement. To this end, TAG and the Group take part in the public debate with various stakeholders, and in particular with federal government decision-makers. They closely follow regulatory changes and the implementation of the legal framework for the new law at both the federal and local level;
- in 2022, the government launched the "Gas to employ" program to promote the use of natural gas as a substitute for more polluting fuels. TAG is actively involved in this program;
- in 2024, Decree No. 12153/24 was issued to coordinate and stimulate the natural gas market and support the national energy transition policy. Several of TAG's contributions have been taken into account in the final version, and market players are awaiting the implementing measures for the decree.

1.6.2.4 Activities in Europe and the rest of the world

ENGIE operates in gas networks in **Romania** via Distrigaz Sud Retele, a subsidiary 99.99% owned by ENGIE Romania, itself 62.99% owned (vs. 51.99% at the end of 2023 following the acquisition of Fondul Proprietatea shares in February 2024). Distrigaz Sud Retele is the country's main natural gas distributor. It covered the southern half of Romania and operated a distribution network of 23,189 km at the end of 2024, serving more than 2 million delivery points.

The Group is also active in natural gas storage in Romania through its subsidiary Depomures, which is 59% owned by ENGIE. It operates a storage facility of 3 TWh, representing 10% of the country's natural gas storage capacity. In 2024, Depomures was granted €12.77 million from the European Connecting Europe Facility (CEF Energy) to build a new compressor station. Part of the natural gas storage development plan defined as a Projects of Common Interest by the EU, this investment will increase working storage capacity by 33% and consolidate security of supply in the region.

In **Germany**, ENGIE has a 31.575% stake in GASAG, a Berlin-based gas distribution company. It also covers the Brandenburg region through its subsidiaries. GASAG markets and sells energy and energy services.

ENGIE is also participating alongside TES in the construction of an FSRU (Floating Storage Regasification Unit) terminal in the port of Wilhelmshaven on behalf of DET (Deutsche Energy Terminal GmbH). The terminal has been operational since November 2024, contributing to the country's energy security.

1.6.3 Energy Solutions GBU

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	9,853	10,405	-5.3%
EBIT *(in millions of euros)*	356	367	-3.0%
Decentralized energy production capacity *(GW@100%)*	25.7	25.3	+1.7%

1.6.3.1 Purpose, organization and strategy

Purpose

Energy Solutions is one of the global leaders[1] in decentralized energy networks and associated services. The GBU aims to support towns and cities, local authorities, and industrial and service sector customers in their decarbonization pathway. To do so, the GBU provides a wide range of solutions to drive action on three levels: greener energy mixes, energy efficiency and energy savings.

These solutions are divided into three categories: local energy networks, on-site energy production and energy performance management

Local energy networks designed on a neighborhood, town or metropolitan scale allow for the production and delivery of final energy (heating, steam, cooling, electricity) to a large number of users by optimizing the use of green energies available in the area (biomass, geothermal, thermal solar, etc.), while developing highly energy-efficient technologies.

The GBU provides public authorities with solutions for the creation, development, modernization and operation of these networks, mostly via asset-based (investment) business models, in the following main areas:

- heating and cooling networks;
- island-based energy networks;
- sustainable mobility: electric charging networks, biogas stations, production and distribution of renewable hydrogen (see Section 1.6.4.5 "Hydrogen activities").

By combining these methods, the GBU can offer comprehensive lower-carbon solutions for towns and cities, campuses and other territorial units.

On-site energy production depends on networks that allow for the production at an industrial or service sector site of the final energy required for its operation (heating, cooling, electricity, steam, compressed air, etc.).

The GBU provides industrial and service sector customers with solutions for the creation, development, modernization and operation of these networks, primarily via asset-based business models. In particular, they are used for:

- final energy production through on-site low-carbon utilities (biomass, thermal solar energy, geothermal energy, fatal heat recovery) and systems to optimize energy efficiency;
- decentralized solar power.

Lastly, **energy performance contracts** combine the production of final energy with the use of energy from renewable and recovered sources (solar power, biomethane, etc.) in an efficient and less wasteful way.

In this way, the GBU can offer its local authority, industrial, service sector and community housing customers contracts that incorporate commitments to reduce the energy consumption of their buildings and the associated CO_2 emissions.

The GBU also provides:

- a decarbonization advice service, to establish "zero-carbon" road maps (ENGIE Impact);
- a range of operational services with the operation and maintenance of installations producing and distributing heat and cold in buildings, energy management, etc.;
- a range of charging solutions for electric mobility with light and heavy goods vehicles (VIANEO).

Organization

The GBU is organized around four operating regions: France, rest of Europe, North America, South America, Asia, Middle East and Africa, plus one entity specialized in consulting (ENGIE Impact).

The central teams are responsible for:

- implementing guidelines, tools and methods to industrialize the GBU's activities and improve both the commercial and operational performance of entities within the scope, in particular through business platforms dedicated to the main solutions;
- overseeing the overall scope via five functional departments: Finance, Human Resources, Strategy, Development (including Marketing and Communication), Legal – Ethics and ESG, Operations (including HSE, projects, Performance, Digital and Purchasing);
- the strengthening of synergies between the various entities.

Market and competitive environment

Two types of players are present in each of Energy Solutions' business lines:

- Utilities with energy networks and/or services, and with which there is a trend of expanding their geographical footprint and improving their positioning in terms of activities, thereby bringing them more in line with Energy Solutions (Energy Solutions nonetheless remains the only entity to centralize all its activities under a single management system);
- network funds, which are more focused on network activities, with assets notably in cooling and heating networks and sustainable mobility.

(1) *Competitive positions established on the basis of specialist work within the Group, carried out using available information published by stakeholders or entities providing external analysis. They are based on the scope of the Group at December 31, 2023.*

1.6.3.2 Activities in France

ENGIE Solutions, ENGIE's BtoB services brand in France, is positioned as a key player in France, Monaco and the French Overseas Territories in low-carbon energy networks and associated energy services. With its 16,300 employees, ENGIE Solutions meets the needs of local authorities, industry and the service sector, with a shared ambition: to accelerate decarbonization in regions through three key business lines – heating and cooling networks, on-site utilities, and energy efficiency services. In addition, the electric mobility business continues to develop under the ENGIE Vianeo brand.

Development of urban heating and cooling networks

In 2024, ENGIE Solutions continued to expand urban heating and cooling networks, mainly through the following projects:

- Villeneuve-la-Garenne (Hauts-de-Seine): a project to transform the existing network, using innovative geothermal technology at a depth of 1,500 meters, to supply heat (80% renewable) to 10,000 equivalent housing units by 2029;
- Rennes (Ille-et-Vilaine): extension and greening of the heating network to the south of the city, adding 42 km to the network and 44 MW of renewable installed capacity;
- Le Mans (Sarthe): creation of a new heating network to the north of the city, combining biomass, energy recovery from incinerators and thermal storage technologies.

On-site utilities

ENGIE Solutions continued to support manufacturers in their energy transition through the following projects:

- Stellantis (Rennes): addition of a 6 MW biomass boiler and an internal network to increase the output of what was initially an 8 MW unit, simultaneously reinforcing the site's decarbonization;
- Lesaffre (Marcq-en-Barœul): recovery of waste heat via two heat pumps (19 MW), saving 30,000 metric tons of CO_2 and 150,000 m³ of water annually;
- WEPA (Bousbecque): installation of an 8 MW biomass boiler. ENGIE Solutions will also operate 25 MW of steam and hot water production equipment.

Energy management and performance services

ENGIE Solutions also supports local authorities in managing their energy consumption:

- Tours: an eight-year energy performance contract covering 211 municipal buildings to reduce reduction by 20% per year. Actions include renovation work, digital monitoring for 90 sites, and user awareness programs;
- Sainte-Geneviève-des-Bois: management of energy systems for 71 buildings over 10 years. The solutions deployed include low-carbon equipment such as solar panels, saving 2,454 metric tons of CO_2 per year.

Electric mobility

ENGIE Vianeo continued to expand in 2024, as illustrated by the following projects:

- a total of 250 charging points for electric vehicles were commissioned in the Aix-Marseille-Provence metropolitan area. This project is part of an ambitious program to build a vast network of charging stations on public roads;
- more than 600 electric vehicle charging points are to be installed across all seven Center Parcs sites in France by 2028, including 400 already in service;
- in the area of heavy mobility, an electric charging corridor for heavy goods vehicles between Paris and Lyon was opened in partnership with APRR.

1.6.3.3 ENGIE Impact

ENGIE Impact partners with companies to accelerate decarbonization efforts around the world. ENGIE Impact's engagement model goes beyond strategy to include data excellence, digital tools, and project delivery expertise. As a long-term partner, ENGIE Impact defines credible pathways to achieve ambitious carbon emission reduction targets, while sharing commitments and responsibility across portfolios. ENGIE Impact now has a portfolio of more than 1,500 customers, including 25% Fortune 500 companies.

1.6.3.4 International activities

1.6.3.4.1 Europe (excl. France)

Italy

The GBU has leading positions in heating networks in the north of Italy and is one of the biggest players in public lighting, with more than 600,000 lighting points under management. In addition, as a leader, the GBU also provides energy efficiency and on-site utilities solutions to businesses and public customers.

In 2024, the GBU won several energy performance contracts, namely with the city of Rome and the autonomous province of Bolzano.

Germany

The GBU is a major player in on-site utilities through long-term contracts with industrial and service sector customers. It actively participates in the installation, operation and maintenance of energy efficiency solutions and has specific expertise, particularly in refrigeration. Lastly, for several decades, the GBU has held stakes in a number of *Stadtwerke* – local energy production and distribution companies – making ENGIE a player with strong regional roots in Germany.

In 2024, the GBU supported the decarbonization of private and public customers, including a new solar power plant for the Grünenthal company, the decarbonization of the Hohenstein-Ernstthal district heating network, the construction of the new hydrogen-compatible power plant for Stadtwerke Hanau and Mainova, and an energy-saving program on public buildings in Gummersbach.

Spain

The GBU is active in installation and maintenance services, the provision of energy efficiency solutions and on-site utilities. It is a player in cities via several district heating networks, particularly in Barcelona.

In 2024, it won the contract to build and operate the new 5 MW biomass plant for Viscofan and the 12.6 MWc solar power plant for Dupont.

Portugal

The GBU distributes heating and cooling to the city of Lisbon through its Climaespaço subsidiary and provides O&M services and energy efficiency solutions.

In 2024, the GBU won several contracts for new solar power plants.

Slovakia and Poland

The GBU is a major player in district heating networks. It also provides installation, operation and maintenance services. The GBU actively develops onsite utilities and decentralized solar activities in both of these countries.

In 2024, the GBU won a contract to install rooftop solar power systems for a retail player in Poland and commissioned its first battery storage unit for the Veľká Ida industrial park in Slovakia.

Belgium

The GBU is a large player in decentralized solar via the Sun4Business joint venture with the Orka group.

In 2024, in Genk, the GBU partnered with SABIC to open the world's largest solar power plant using lightweight, 100% recyclable panels.

ENGIE Vianeo continued to roll out the concession it won in Flanders, launching the operation of over 3,000 charging points by the end of 2024. In May 2024, a station with 20 charging points was opened in Turnhout, chosen in consultation with the municipal council and in response to requests from local businesses and residents.

Romania

The GBU develops solutions to support industrial and service sector customers in their decarbonization strategy. In 2024, Heineken chose it as a partner to decarbonize three local breweries.

1.6.3.4.2 North America and South America

United States

The GBU is involved in energy efficiency solutions, particularly for the public sector – local governments, schools and hospitals – and has been developing major partnerships for several years, particularly for universities. The GBU continues to develop its decentralized solar solutions with 450 MW installed by the end of 2024.

Brazil

The GBU is also active in the development and implementation of integrated solutions focused on reducing costs and improving networks for businesses and cities. Its activities mainly include energy efficiency, energy management and public lighting.

1.6.3.4.3 Asia, Middle East and Africa

Persian Gulf countries

ENGIE holds a 40% stake in Tabreed (National Central Cooling Company PJSC), the leader in urban cooling networks in Gulf Cooperation Council (GCC) countries. The company distributes the equivalent of a million metric tons of cold energy. Tabreed has had several commercial successes since 2020 with the acquisition of the cooling networks of Downtown Dubai and the cooling plants of Masdar (United Arab Emirates).

The GBU also provides energy solutions (solar and on-site utilities) for industrial customers.

In 2024, in Saudi Arabia, the GBU won a 25-year on-site solar power purchase agreement with Al Jouf Cement Company (AJCC) for a 22 MWc solar power installation.

South East Asia

The GBU has strong capacity in technical maintenance, energy efficiency and district cooling systems, with solar power and on-site utility projects under way for several industrial customers, to provide turnkey low-carbon offerings.

In 2024, the GBU won a 10 MWc rooftop solar power deployment project from Jurong Town Corporation (JTC) in Singapore.

1.6.4 FlexGen & Retail GBU

1.6.4.1 Purpose, organization and strategy

The FlexGen & Retail GBU includes the following activities:

- thermal production (electricity production from gas, diesel and coal);
- energy pumped storage;
- battery storage and coordination of all battery activities within the Group;
- large-scale production of low-carbon hydrogen and coordination of all hydrogen activities within the Group;
- seawater desalination;
- BtoC energy supply (sales of electricity and gas, energy services, energy access).

These activities share the same challenge – but also the same opportunity – of reducing CO_2 emissions.

The GBU contributes to the Group's development and preparation for the future. It brings industrial and digital expertise. Besides balancing the Group's financial exposure via Retail activities, the activities of the FlexGen & Retail GBU support the development of renewable energy and compensate for their intermittent nature by contributing upstream flexibility (flexible thermal production and electricity storage) and downstream flexibility (load shedding or shifting of consumption of BtoC customers). They also provide solutions for decarbonizing industry with low-carbon hydrogen. The GBU therefore plays a key role in the energy transition.

The development of battery storage operations represents a source of growth for the FlexGen & Retail GBU. These batteries generate value through different business models. They can be contracted to supply peak capacity or help balance the electricity networks to which they are connected by offering available space to ancillary markets. They may also capitalize on opportunities for arbitrage in wholesale electricity markets, particularly on the day-ahead or intraday markets.

ENGIE saw significant growth in storage capacity in 2024, following the acquisition in 2023 of US developer Broad Reach Power and its development portfolio in Texas and California. With this acquisition, the GBU increased its capacity in the United States to 1,230MW, representing growth of 855 MW compared with 2023. At end-2024, the GBU had a total capacity of 1.4 GW. Growth is set to continue over the years to come, with 2.3 GW of capacity under construction in the United States, Belgium, the Netherlands, the United Kingdom and Chile.

Market and competitive environment

The leading thermal electricity producers (excluding China) are mainly composed of players in Europe (ENGIE, RWE, EPH, EDF, Enel, Uniper, Naturgy, Iberdrola, TotalEnergies), Asia (KEPCO, Marubeni, Mitsui) and the Middle East (ACWA Power). These top companies represent a total thermal capacity of approximately 300 GW (ENGIE accounts for around 17%). At end-2024, these players had 29 GW of secured projects for new production plants across the globe, of which 95% in gas, driven mainly by players in Asia.

In battery storage, around 22 GW of capacity was either installed or in the advanced development stage at the end of 2024 by the main European players, such as utilities (ENEL, ENGIE, RWE and EDF), followed by renewable energy developers (NEOEN, Zenobē, etc.) and investment funds (Sosteneo, Gresham House).

In low-carbon hydrogen production, outside China, there is a high concentration of projects in Europe and North America with the creation of consortia aimed at reducing production costs. By 2030, Air Liquide, Orsted, EDF and Iberdrola each aim to achieve at least 3 GW in installed electrolysis capacity.

1.6.4.2 Flexible production activities (FlexGen)

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	4,937	5,264	-6.2%
EBIT *(in millions of euros)*	1,467	1,513	-3%
Centralized gas-powered electricity production capacity *(GW@100%)*	47	49	-7.5%
Centralized coal-powered electricity production capacity *(GW@100%)*	2	2	0%
Electricity storage capacity by pumped storage *(GW@100%)*	3	3	0%

1.6.4.2.1 Europe

The market in Europe is accelerating its transition to less carbon-intensive energy generation. Following the enactment of the European Green Deal, the European Commission has proposed targets to accelerate the reduction of CO_2 emissions between now and 2030. Various European countries have started to phase out electricity production from coal, and some have committed to fully decarbonized power generation by 2035. The European energy market is experiencing a major short- and medium-term program of shutting down coal-fired production sources, coupled with the phasing out of nuclear power in Germany. In this context, natural gas power plants now have a key role to play by offering the necessary long-term flexibility in the energy markets to offset the intermittency of renewable energy sources, alongside emerging solutions such as batteries, which provide short-term flexibility. Governments (Belgium, Italy, France and the United Kingdom) are introducing various compensation mechanisms for power generators (remuneration capacity mechanisms, strategic reserves, etc.) to facilitate the installation of additional flexible thermal capacity or allow existing capacity to remain operational. This vital role for gas-fired power plants points to the need to ramp up the study of decarbonization solutions, so that they can continue to ensure security of supply.

In **Europe**, ENGIE manages a portfolio of thermal generation assets with installed capacity of 15.9 GW in six European countries (France, Belgium, the Netherlands, Italy, Portugal and Spain). This includes the Group's power plants and the decentralized assets of industrial customers.

ENGIE is building a new Combined Cycle Gas Turbine (CCGT) power plant in Flémalle, Belgium, with a view to its commissioning in 2025. This latest generation power plant, with a capacity of 875 MW, benefits from the capacity compensation mechanism introduced in Belgium to ensure security of supply following the decrease in the country's nuclear capacity. In the Netherlands, the Maxima CCGT power plant recently received an upgrade to reach 50% hydrogen co-combustion, making it possible to launch flexible carbon-free thermal capacity.

1.6.4.2.2 North America and South America

In **Canada,** ENGIE owns and operates the West Windsor 126 MW combined cycle natural gas power plant in Ontario. In addition, ENGIE holds a 35% stake in EcoElectrica, a 534 MW natural gas combined cycle power plant in **Puerto Rico**.

In **Peru**, ENGIE operates 2,081 MW in power plants, with natural gas-fired combined cycle power plants in Chilca, as well as diesel power plants in Ilo.

In **Chile**, ENGIE has a large thermal network in the north representing a total of 1,563 MW. The Group operates a diversified portfolio of combined cycle or open cycle natural gas power plants, coal units that can be converted to natural gas from 2025, and gas turbines and diesel engines.

In **Mexico**, ENGIE Mexico operates gas-fired plants with a combined capacity of nearly 301 MW.

1.6.4.2.3 Africa, Middle East and Asia

In the **Gulf Cooperation Council** countries, ENGIE acts as an asset developer, owner and operator. ENGIE sells its electricity and water produced through desalination under long-term public power and water contracts. ENGIE is one of the leading private power and water developers and operators in the region. The total power generation capacity of 28 GW serves more than 40 million people (in Saudi Arabia, the United Arab Emirates, Oman, Bahrain, Qatar and Kuwait). Desalination installations in operation or under construction produce nearly 6.7 million m^3 of water/day, with additional developments in progress for 0.6 million m^3 of water/day.

In **Pakistan**, ENGIE currently owns 100% of two combined cycle gas turbine (CCGT) plants with total capacity of 931 MW. The electricity produced is sold under long-term PPAs to the distribution companies. These assets are currently being sold.

In **Africa**, ENGIE holds a minority stake in South Africa in two open cycle "peak" diesel plants with total capacity of 1,003 MW and a minority stake in Morocco in the coal-fired power plant of Safi with total production capacity of 1,250 MW. A desalination unit is also under construction in Morocco, with an expected capacity of 100,000 m^3 of water/day.

In **Australia**, ENGIE operates several gas power plants with a total capacity of 857 MW.

1.6.4.3 Retail activities

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	14,070	16,443	-14.4%
EBIT *(in millions of euros)*	695	569	+22%
Number of gas contracts *(in millions)*	10,258	10,574	-3%
Number of electricity contracts *(in millions)*	9,234	9,257	-0.3%

The retail energy supply business is concentrated in France, Belgium, Italy, Romania, the Netherlands and Australia. ENGIE targets both residential customers and Small & Medium Entreprises (SME). The business is based on the supply of energy contracts (gas and electricity) and the sale of decarbonization services.

In all the markets where ENGIE operates, the goal is to be a trusted partner in supporting and engaging customers in the energy transition, as well as a leader in decarbonization. To achieve this, the priorities are to:

- market **green energy contracts** with digital solutions to manage consumption;
- develop **energy transition solutions** covering installation, maintenance and monitoring services for equipment such as very high efficiency boilers, heat pumps, solar roof equipment and electric vehicles, with the aim of helping customers manage and control their consumption while providing the power generation system with the flexibility it needs.

ENGIE holds a portfolio of 19.5 million energy contracts together with monitoring services. In France, ENGIE is still the leader in gas sales and the main challenger in electricity sales. In Belgium, the Group is the leader in both gas and electricity and, in Romania, it is the leading gas supplier. In the area of decarbonization services, for residential customers and Small & Medium Enterprises (SME), the Group offers a range of solutions that have helped establish its leadership position while contributing to its growth.

Sales of green electricity contracts continued to increase, representing 7.7 million at the end of 2024. ENGIE also promotes green gas solutions to its customers.

Against this backdrop of energy price variability and inflation, in order to support its customers in controlling their energy consumption, ENGIE is rolling out several strong initiatives across all countries, including:

- energy saving information and awareness-raising campaigns;
- continued progress in energy monitoring services (solar panels, electric charging stations, etc.) and offerings that allow customers to better understand and act on it. In this regard, digital tools (apps) allow monitoring of energy consumption in real time, including: “*Ma Conso+*" (France) or "Smart App" and "Energy Monitor" (Belgium), “*EcoDéfis*” (France), which help customers meet challenges to reduce consumption individually or collectively, and the personalized smart charging solution, which customers can use to charge their electric vehicle at the most cost-effective time for them (in Belgium with "Drive App" and in France with "*Ma Recharge Intelligente*");

- showcasing a range of offerings that promote controlled consumption and a balanced energy system. In France, for example, customers can benefit from remote control services that allow them not only to consume better and less, but also to relieve power networks during peak hours: in France, *"Mon pilotage élec"* or the behavioral demand side management programs "*Ecodéfi+*" and "Reduce & Reward" in Australia which make it possible to reduce and shift consumption at critical times for the network.

Regulatory changes

2024 was a year of transposition of several European directives (Electricity Market Design, Energy Efficiency) in European countries, with the aim of improving consumer protection and enhancing suppliers' prudential obligations. This legislation is in the process of being transposed into national laws (for countries that need it) or integrated into national regulations.

In France, key discussions have been held on the post-ARENH system, but no conclusion has been reached as yet. Energy taxation solutions are also being studied.

The *bouclier tarifaire* (tariff shield) no longer applies for residential customers and has been replaced by an adapted form of aid (*amortisseur électricité* 2024) on the Small & Medium Enterprises market, under which the government covers electricity consumption costs for certain categories of customers.

In Romania, the price cap on gas and electricity has been extended until March 2025.

ENGIE Energy Access

ENGIE Energy Access, currently held for sale, develops innovative off-grid solar solutions for homes, public services and businesses, providing customers with access to clean, affordable energy. Solar home systems and mini-grids promote economic development, enabling productive use of electricity and creating business opportunities for entrepreneurs in rural communities.

ENGIE Energy Access operates in nine countries (Benin, Côte d'Ivoire, Kenya, Mozambique, Nigeria, Uganda, Rwanda, Tanzania and Zambia), serving over 1.3 million customers and over 6.5 million people.

1.6.4.4 Hydrogen activities

1.6.4.4.1 Purpose and Strategy

Hydrogen is a key transition energy vector, and ENGIE aims to develop strong positions throughout the entire value chain of hydrogen production, networks, mobility and trading.

In **Europe**, the Group benefits from its portfolio of industrial and local authority customers (Energy Solutions GBU) as well as significant renewable energy production capacity and the commercial know-how of GEMS.

In **France**, **Germany** and the **United Kingdom**, the Group is expanding around the existing transport networks (GRTgaz - see Section 1.6.2.2.2) and storage networks (Storengy - see Section 1.6.2.2.4) that are a central part of the future European hydrogen backbone.

Internationally, the Group is prioritizing renewable projects in low-cost countries where it is strongly positioned, in particular those with public policies in support of the development of hydrogen, with a view to supporting the energy transition of its customers and developing large-scale green fuel projects.

Regulatory changes

As part of its carbon-neutral pathway, the European Union (EU) wants to massively develop the production of renewable, low-carbon hydrogen, with an ambitious target of 40 GW of electrolysis capacity in Europe by 2030 – increased to 20 Mt of H2 per year under the RePowerEU plan, introduced following the outbreak of the conflict in Ukraine and the EU's decision to minimize dependence on Russian natural gas. Binding targets for the consumption of renewable hydrogen and hydrogen derivatives have recently been set for industry and transport under the EU RED III directive. These are positive changes that demonstrate a strengthened political drive but that still need to be implemented in practice, particularly through a simplified and accelerated funding process. Solutions are also needed concerning the availability and price of renewable electricity. ENGIE is working to reduce the existing obstacles to project development and to improve the regulatory framework.

1.6.4.4.2 Description of activities

The FlexGen & Retail GBU coordinates all of the Group's hydrogen activities, which are developed in the various GBU according to their relevant expertise.

Large-scale production of decarbonized hydrogen: ENGIE has a comprehensive and phased approach, developing large-scale projects with its industrial customers in the most favorable geographic areas. The Group designs models for replicable offers for targeted segments. A number of large-scale projects are under development (at different levels of maturity) with key players. Most of these projects may, in the longer term, lead to the implementation of large-scale projects (GW scale).

In Europe, ENGIE targets industries that are otherwise hard to decarbonize. In sectors where electrification is not possible or financially viable, hydrogen may be a solution. This is the case in particular for the steel industry, refining (conventional or biofuel), and the production of e-molecules (ammonia, methanol, synthetic kerosene, etc.).

Excluding Europe, ENGIE focuses on areas with low-cost renewables, such as the United States, Australia, Chile, Brazil and the Arabian peninsula.

At the end of 2023, ENGIE completed the HyflexPower project to inject 100% H2 into a Siemens 12 MW gas turbine, paving the way for the use of H2 in its gas-fired power plants in Europe. By testing several mixtures of hydrogen and methane, the project has made it possible to concretely measure the impact of H2 on turbine performance and maintenance.

In May 2024, ENGIE and POSCO completed the environmental pre-studies for the HyDuqm project in Oman. This project involves the installation of renewable electrical capacity combined with an electrolyzer to decarbonize steelmaking.

In July 2024, ENGIE and 15 other partners won the EU Horizon call for projects for the VHyTTA project, aimed at developing a multimodal hydrogen charging station concept for ports and airports. The standardized station model is designed to supply land vehicles operating in ports and airports, as well as trains and barges.

ENGIE aims to reach 4 GW of electrolysis capacity by 2035.

Mobility: ENGIE, through the Energy Solutions GBU, is one of the leading players in France in the development of regional hydrogen ecosystems for mobility and industrial uses. It finances, designs and operates decentralized systems for the production of hydrogen by electrolysis and charging points for public and private transport operators.

In June 2024, ENGIE opened a green hydrogen production and distribution station in Dijon via Dijon Métropole Smart Énergie, a company that supplies hydrogen to the city's buses among other things, as well as the Saint-Egrève distribution station via the company Hympulsion in the Auvergne-Rhône-Alpes region.

ENGIE currently operates hoydrogen stations in France, with a production capacity of 5.4 MW and a distribution capacity of 2.1 metric tons per day. Nine stations are currently under construction.

Networks: The adaptation and conversion of networks for development of hydrogen is a priority for the Group.

Following the signature of a capacity reservation contract with Stahl-Holding-Saar in Germany for 50,000 metric tons of hydrogen, GRTgaz made the final investment decision on a 90 km hydrogen pipeline in the first quarter of 2024, the largest of its kind in Europe. In addition to other projects under review to connect hydrogen producers and consumers within industrial hubs, GRTgaz is heavily involved in the development of a European hydrogen backbone through the H2med project, a hydrogen pipeline linking Portugal and Spain to France and Germany (see Section 1.6.2.2.2), for which pre-feasibility studies have begun.

Storengy is developing an underground hydrogen storage service to enable reliable and flexible hydrogen supply (HyPSTER and GeoH2 projects in France, Salthy in Germany, HyNet in the United Kingdom). The GeoH2 and Salthy projects are recognized as Projects of Common Interest (PCIs). In April 2024, the FrHyGe project was launched, following its success with the Clean Hydrogen Partnership's call for projects to build a demonstrator at the Manosque site. In early 2025, the Salthy project received funding from CEF Energy.

Hydrogen trading: GEMS aims to grow within the wholesale low-carbon hydrogen and derivative molecules (methane, ammonia, etc.) market, developing a portfolio of diversified supply, sale with services adapted to the requirements of each customer, and electricity and gas supply to hydrogen production sites.

Innovation: in terms of innovation, ENGIE supports investment in the development of hydrogen technologies. In 2022, ENGIE inaugurated its H2 Lab, a research and innovation center dedicated to low-carbon hydrogen, equipped with testing facilities for the entire H2 value chain, from production through to use. Natural hydrogen could be a new competitive, low-carbon hydrogen resource to help decarbonize regions.

1.6.5 Nuclear

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	68	118	-42.8%
EBIT *(in millions of euros)*	1,448	605	+139.4%
Nuclear-powered electricity production capacity *(GW@100%)*	4	4	0%

1.6.5.1 Purpose and Strategy

The Nuclear operating entity is dedicated to the operational management of the seven nuclear reactors in Belgium and the rights held by EDF's two power plants in France.

The operating entity is structured around the following priorities:

- to ensure the optimum availability of nuclear power plants during their operational phase, thereby contributing to the production of carbon-free electricity;
- to make every effort to ensure that Tihange 3 and Doel 4 are back on the grid by November 1, 2025;
- to manage the critical path and costs associated with the dismantling program.

Nuclear safety is a key part of these priorities. The current nuclear safety system is being continuously strengthened, in close collaboration with the nuclear safety authorities.

1.6.5.2 Description of activities

The entity's sites in Belgium are located in Doel, Tihange and Brussels. Electrabel operates the Doel and the Tihange nuclear power plants in compliance with the strictest nuclear safety standards. At the end of 2024, these plants represented a total installed capacity of 3,908 MWe (including 792 MWe in partnership with the EDF Group). The Doel 3 (1,006 MW) and Tihange 2 (1,008 MW) plants were permanently shut down on September 23, 2022 and January 31, 2023, respectively. The Group also has 1,218 MWe of drawing rights in the Tricastin and Chooz B power plants in France.

The initial legal framework provided for the gradual withdrawal from the operation of nuclear power plants in Belgium between 2022 and 2025. Following a decision dated March 18, 2022, the Belgian government decided to take the necessary measures to extend the operating life of Doel 4 and Tihange 3 by 10 years.

On December 13, 2023, ENGIE and the Belgian government signed the final agreement on the extension of the Tihange 3 and Doel 4 nuclear reactors and all obligations related to nuclear waste. It stipulates:

- the commitment of the two parties to carry out a flexible long-term operation arrangement for an estimated investment amount of between €1.6 billion and €2 billion, and to make their best efforts to restart the Doel 4 and Tihange 3 nuclear units from November 2025;
- the establishment of a legal structure dedicated to the two extended nuclear units, equally owned by the Belgian State and ENGIE;
- the business model for the extension with a balanced distribution of risks, in particular through a Contract for Difference mechanism for compensation of electricity production. The strike price will be based on the actual cost of extending the nuclear units. This cost is not yet known but will be estimated based on nuclear safety requirements established by the Federal Agency for Nuclear Control (AFCN). Thus, an initial price will be fixed in 2025 and will be updated in 2028 based on the known amount of the final cost of the extension, to cover the period up to 2035;
- the setting of a lump sum for future costs related to the treatment of nuclear waste, for all ENGIE nuclear facilities in Belgium, for a total amount of €15 billion in 2022 payable in two installments according to the waste categories;
- the lifting of restrictions on Electrabel's non-European assets.

On February 21, 2025, the European Commission approved under EU state aid rules the agreement between ENGIE and the Belgian government. Pursuant thereto, ENGIE and the Belgian government are now concluding together various procedural steps with a view to closing the transaction on or before March 14, 2025. The legislative changes needed to incorporate it into law were made in April 2024.

The Group assumes obligations resulting from the Belgian Act of April 11, 2003 as amended by the Act dated July 12, 2022, relating to the provisions made for the dismantling of nuclear power plants and for the management of spent nuclear fuel. The Act of July 12, 2022 provides in particular for the full financing of nuclear provisions by 2030 and a strengthening of the control of the Belgian Commission for Nuclear Provisions on certain decisions relating to the capital of Electrabel and to Synatom.

In the framework of the above-mentioned final agreement, the Act of July 12, 2022 will be amended to take into account the establishment of a lump sum payment for future costs related to the treatment of nuclear waste (€15 billion$_{2022}$), with Electrabel remaining exclusively responsible only for dismantling obligations (and still subject to nuclear provisions). The next review is planned for 2025 (see Note 17 in Section 6.2.2 "Notes to the consolidated financial statements").

1.6.6 Other – including Global Energy Management & Sales (GEMS)

KEY FIGURES

	Dec. 31, 2024	Dec. 31, 2023	% change
Revenues *(in millions of euros)*	32,187	37,949	-15.2%
o/w GEMS	*31,377*	*37,221*	*-15.7%*
EBIT *(in millions of euros)*	1,718	2,761	-37.8%
o/w GEMS	*2,382*	*3,551*	*-32.9%*
Energy volumes sold to BtoB customers *(TWh)*	338	334	+1.3%

The "Other" reportable segment covers the BtoB energy and supply management and optimization (GEMS) activities, as well as Corporates, holdings and Tractebel. The major portion of results for the "Other" segment is attributable to GEMS.

1.6.6.1 GEMS' purpose and strategy

Active in 19 countries, the GEMS entity operates around the world. It provides energy management solutions and services to support ENGIE and its customers in their transition toward a carbon neutral economy. GEMS' mission is twofold:

- optimize the value of the Group's power, gas and renewable assets, manage the portfolio risks on behalf of ENGIE on all its markets and contribute to the competitiveness of the Group's GBU;
- ensure a secure and sustainable energy future for more than 200,000 external customers by developing innovative and competitive commercial offerings.

In addition to its leading position in the European wholesale natural gas and electricity markets, GEMS aims to develop the same leadership position in renewable and low-carbon gases (biomethane, hydrogen). More broadly, the entity pursues its plan to expand its green energy management portfolio, which includes renewable energy, low-carbon energy and green gases, sustainable biomass, guarantees of origin and green certificates. In this respect, GEMS is a world leader in long-term renewable PPAs, or green PPAs, and entered into agreements for 35 TWh in 2024. GEMS is also developing innovative offerings for optimizing battery electricity storage and managing customer demand.

GEMS's strategy to develop its green energy portfolio is supported by cultural change initiatives and specific training programs, as well as the inclusion of social, environmental and carbon emissions criteria in the decision-making process.

By proactively reducing the carbon intensity of its sales, GEMS contributes to the Group's climate goals.

1.6.6.2 Activities of GEMS

GEMS activities are divided into two main areas of expertise.

Asset optimization:

- regarding the management of electricity assets, GEMS provides marketing and dispatching activities for ENGIE's production assets as well as for third-party assets;
- concerning gas asset management, GEMS manages the gas upstream supply, transport and storage capacities, including recovery and optimization of asset flexibility through the markets;
- GEMS optimizes a portfolio of LNG and biomass assets.

Risk management and supply of energy to customers (Customers Risk Management & Sales):

GEMS ensures security of supply for the Group's customers.

- GEMS supplies natural, green and low-carbon gas (biomethane, hydrogen), and electricity to companies and large industrial customers, as well as to other ENGIE business entities;
- GEMS develops renewable electricity supply activities (green PPAs), and offers customized solutions to help customers achieve their environmental, social and governance (ESG) targets (guarantees of origin, energy traceability, carbon offsets, energy efficiency);
- GEMS manages the risks of the physical & financial energy portfolio with bespoke hedging strategies, competitive market access & high-quality market expertise.

In 2024 ENGIE secured contracts and launched partnerships including:

- a collaboration agreement with and investment in the start-up ClimeFi, a permanent carbon removal market intelligence, procurement, finance and risk management service provider;
- biomethane purchase agreement of 2.7 TWh to 3 TWh over seven years with BASF for use as a raw material at its Ludwigshafen (Germany) and Antwerp (Belgium) production sites;
- several renewable power purchase agreements with Google in Belgium for a total of 118 MW from new wind farms and the extension of an existing contract;
- agreement with Energy Dome for the world's first large-scale CO_2 energy storage system in Ottana, Sardinia. ENGIE will optimize the battery on the Italian electricity markets.

1.6.6.3 Tractebel

Tractebel is a recognized leading engineering and consulting company that offers integrated solutions in energy, nuclear, water and sustainable networks, on a mission to design a carbon neutral future alongside its public and private customers.

Tractebel, with 5,600 employees, operates mainly in around 30 countries.

Energy

In the energy sector, Tractebel provides its expertise and experience to customers within and outside the ENGIE Group covering the design, planning, development and supervision of the construction of projects. For ENGIE, Tractebel is mainly involved in projects for new power plants such as the Flémalle combined-cycle gas plant in Belgium and wind farm projects like Serra do Assuruá in Brazil.

Tractebel continues to provide its expertise and experience in nuclear power to major operators. Tractebel also provides its services to players such as EDF in France and ESKOM in South Africa, as well as ENGIE in Belgium. Tractebel is also involved in the development of the ANGRA 3 construction project in Brazil, as well as new reactors at the Hinkley Point and Sizewell sites in the UK. It also takes part in major projects in the areas of research reactors (such as PALLAS in the Netherlands), small modular reactors (SMRs) on defense and nuclear waste management networks as well as in medical applications.

Water

In the water sector, Tractebel works on dams and hydropower projects of all sizes, water irrigation, supply, purification and distribution, as well as maritime and river networks and coastal protection in connection with climate change. Tractebel is carrying out studies for the Snowy 2.0 Pumping Energy Transfer Station (PETS) in Australia and with a view to increasing the capacity of Coo in Belgium. Tractebel is also involved in hydropower dam rehabilitation projects, such as the Wasuna project in Côte d'Ivoire.

Networks

In the urban networks sector, Tractebel helps to engineer buildings, land transportation networks and cities, with the aim of accelerating the development of integrated offerings and decarbonizing districts and regions. Using modeling and simulation tools, Tractebel is taking part in various public transport and mobility infrastructure projects in Belgium, Germany and India and in the Grand Paris Express (France) and Belgrade (Serbia) metro projects. Tractebel is also a major player in energy-efficient buildings, such as the renovation of the Marnix building in Brussels (Belgium), and in data center design with a focus on energy efficiency and reducing CO_2 emissions.

1.6.7 Group business model

The Group's business model is presented in Section 3.1.1.2.1.

1.7 PROPERTY, PLANT AND EQUIPMENT

The Group owns or leases a significant amount of industrial real estate around the world. Many Group activities involve operating very large plants that the Group only partially owns.

The Group operates electric power plants, LNG terminals and storage facilities.

The tables below show the main facilities currently in operation, either wholly or partially owned by the Group. Leased properties are covered in Notes 13 and 14 to Section 6.2.2 "Notes to the consolidated financial statements."

POWER PLANTS (CAPACITY > 400 MW EXCLUDING UNITS UNDER CONSTRUCTION)

Country	Site/plant	Total capacity[1] *(MW)*	Type of plant
Australia	Pelican Point	489	Natural gas
Bahrain	Al Dur	1,224	Natural gas
	Al Ezzel	940	Natural gas
	Al Hidd	929	Natural gas
Belgium	Amercœur	446	Natural gas
	Coo	1,089	Hydraulic pumping
	Doel	1,916	Nuclear
	Drogenbos	466	Natural gas
	Herdersbrug	480	Natural gas
	Tihange	1,992	Nuclear
	Zandvliet	419	Natural gas
Brazil	Cana Brava	439	Hydropower
	Estreito	1,068	Hydropower
	Assura	563	Wind
	Jaguara	413	Hydropower
	Jirau	3,675	Hydropower
	Miranda	404	Hydropower
	Ita	1,442	Hydropower
	Campo Largo	688	Wind power
	Machadinho	1,135	Hydropower
	Salto Osòrio	1,072	Hydropower
	Salto Santiago	1,415	Hydropower
	Santo Agostinho	434	Wind
Chile	Mejillones	1,121	Coal-fired and natural gas
	Tocopilla	411	Natural gas, coal- and fuel oil-fired
France	CombiGolfe	435	Natural gas
	CyCoFos	428	Natural gas and steelworks gas-fired plant
	DK6 (Dunkirk)	788	Natural gas and steelworks gas-fired plant
	Génissiat	423	Hydropower
	Montoir-de-Bretagne	478	Natural gas
Italy	Roselectra	406	Natural gas
	Torre Valdaliga	1,134	Natural gas
	Vado Ligure	782	Natural gas
	Voghera	403	Natural gas
Kuwait	AzZour North	1,519	Natural gas
Morocco	Safi	1,250	Coal
Netherlands	Eems	1,931	Natural gas
	Flevo	907	Natural gas
Oman	Barka 2	674	Natural gas
	Barka 3	737	Natural gas
	Sohar 2	737	Natural gas
Pakistan	Uch 1	551	Natural gas

Country	Site/plant	Total capacity[1] *(MW)*	Type of plant
Peru	Chilca	932	Natural gas
	ILO Nodo	600	Fuel-oil fired
	ILO 31	564	Fuel-oil fired
Portugal	Bemposta I&II	451	Hydropower
	Elecgas	839	Natural gas
	Picote I&II	436	Hydropower
Puerto Rico	Ecoelectrica	534	Natural gas
Qatar	Ras Laffan B	1,025	Natural gas
	Ras Laffan C	2,730	Natural gas
Saudi Arabia	Fadhili	1,497	Natural gas
	Marafiq	2,744	Natural gas
	Ju'aymah	467	Natural gas
	Shedgum	469	Natural gas
	Uthmaniyah	469	Natural gas
	Riyadh PP11	1,729	Natural gas
South Africa	Avon	669	Fuel-oil fired
Spain	Cartagena	1,199	Natural gas
	Castelnou	791	Natural gas
United Arab Emirates	Fujairah F2	2,000	Natural gas
	Mirfa	1,600	Natural gas
	Shuweihat 1	1,500	Natural gas
	Shuweihat 2	1,496	Natural gas
	Taweelah	1,590	Natural gas
	Umm Al Nar	1,532	Natural gas
United Kingdom	First Hydro	2,088	Hydraulic pumping
	Moray East	953	Offshore wind
	Moray West	441	Offshore wind

(1) Capacity of assets held by ENGIE, all of which are taken into account irrespective of the real ownership percentage.

NATURAL GAS UNDERGROUND STORAGE (>550 MM^3 OF TOTAL USEFUL STORAGE VOLUME[1])

Country	Location	Total useful storage *(in Mm^3)*[1]
France	Gournay-sur-Aronde (Oise)	1,310
France	Germigny-sous-Coulombs (Seine-et-Marne)	820
France	Saint-Illiers-la-Ville (Yvelines)	690
France	Chémery (Loir-et-Cher)	3,690
France	Céré-la-Ronde (Indre-et-Loire)	570
France	Étrez (Ain)	690
France	Cerville (Meurthe-et-Moselle)	590
Germany	Uelsen	860

(1) Useful storage volume held by ENGIE, all of which is taken into account irrespective of the real ownership percentage.

LNG TERMINALS

Country	Location	Total regasification capacity *(Gm^3(n)/per annum)*[1]
France	Montoir-de-Bretagne	10
France	Tonkin (Fos-sur-Mer)	1.5
France	Cavaou (Fos-sur-Mer)	10
Chile	Mejillones	2.0

(1) Capacity of assets held by ENGIE, all of which are taken into account irrespective of the real ownership percentage.

RISK FACTORS AND INTERNAL CONTROL AFR

The material, specific risks to which the Group is exposed, based on its own assessment, are described below. They are divided into seven categories:

- political and regulatory risks;
- risks deriving from climate and environmental issues;
- economic and competition risks;
- financial risks;
- operational risks;
- social and societal risks;
- risks relating to nuclear activities.

The risks presented have been assessed and prioritized on a "net risk" basis. In other words, the risks are quantified after taking into account the mitigations put in place to manage them.

The summary table below covers the most significant risks in each category, classified in decreasing order of criticality (probabilized impact).

Risks	Criticality	Change (versus 2023)	URD sections and references
POLITICAL AND REGULATORY RISKS			
Risk of State intervention and regulatory changes in a context of political uncertainty	Medium	increase	2.2.1.1 and Notes 23.1.1 of Section 6.2.2 "Notes to the consolidated financial statements"
Risk of a downward trend in the return on gas distribution, transport, storage and regasification assets in France	Low	stable	2.2.1.2
RISKS DERIVING FROM CLIMATE AND ENVIRONMENTAL MATTERS			
Risk of a change in the noticeable effects of climate change affecting energy demand and generation	Medium	stable	2.2.2.1 and 3.1.2.1.1/ESRS 2
Risk of a change in the noticeable effects of climate change impacting asset availability and performance	Medium	stable	2.2.2.2 and 3.1.2.1.1/ESRS 2
ECONOMIC AND COMPETITION RISKS			
Risk of adaptation or development of business models due to the energy transition in a context of increased competition in some of the Group's businesses	Medium	increase	2.2.3.1 and Note 13.4 of Section 6.2.2 "Notes to the consolidated financial statements"
FINANCIAL RISKS			
Commodities market risk	High	stable	2.2.4.1 and Note 15.1.1 of Section 6.2.2 "Notes to the consolidated financial statements"
Counterparty risk	Medium	stable	2.2.4.2 and Note 15.2 of Section 6.2.2 "Notes to the consolidated financial statements"
Pension funding risk	Medium	stable	2.2.4.3 and Note 18 of Section 6.2.2 "Notes to the consolidated financial statements"
OPERATIONAL RISKS			
Supply risk for the construction of renewable energy plants and electricity storage capacity	Medium	increase	2.2.5.1
Cybersecurity	Medium	stable	2.2.5.2 and 3.1.4.3.1/ESRS 2
Risk of industrial accident	Medium	stable	2.2.5.3 and 3.1.4.3.3/ESRS 2
SOCIAL AND SOCIETAL RISKS			
Risks related to human resources	Medium	stable	2.2.6.1 and 3.1.3.2.1 & 3.1.3.2.5/ ESRS 2
Risks associated with health & safety at work	Medium	stable	2.2.6.2 and 3.1.3.2.6/ESRS 2
RISKS RELATING TO NUCLEAR ACTIVITIES			
Risks relating to nuclear activities	Medium	decrease	2.2.7 and Note 17.2 of Section 6.2.2 "Notes to the consolidated financial statements"

Level of criticality: Low / Medium / High

Other, less significant risks or risks unknown to date could also affect the Group. If these risks were to materialize, they could have a material negative impact on the Group's business, financial position and earnings, image and outlook, and/or on the ENGIE share price. Certain risks that are critical for the Group are listed in the following sections but are not expanded on as they are either not specific to ENGIE or are already covered in detail in Section 3.1 "Sustainability Statement", in accordance with European Sustainability Reporting Standards (ESRS). They are identified using a pictogram **[ESRS]** and presented in the concordance table in Section 3.1.5 "Appendices".

2.1 RISK MANAGEMENT PROCESS

2.1.1 Enterprise risk management policy

The Group has adopted an Enterprise Risk Management (ERM) policy, the principles of which are consistent with professional standards (including ISO 31000 and the Federation of European Risk Management Associations). The policy sets out ENGIE's ambition to "manage its risks in order to ensure its performance."

The Group's Enterprise Risk Management Policy applies to the Group's businesses and controlled entities, while observing the governance rules that apply to each entity.

This policy promotes risk-taking at a reasonable level from a legal perspective, which is acceptable to generally held opinion and economically viable. It stipulates that all managers are Risk Managers. Generally, the Management Committees of Group entities are the main bodies that determine the actions to be taken to manage risks, except when a specific risk committee is created, such as for energy market risk or ethical risk.

The Head of Risk Management and Insurance is responsible for ensuring the effectiveness of the risk management framework. He/she coordinates the designated Chief Risk Officers of each of the operating entities and Corporate Functions. These Chief Risk Officers assess the entity or Function's overall risk exposure and ensure that risk mitigation plans are implemented.

Risk analysis and coordination of action plans are performed in collaboration with all the Group's divisions and are subject to an additional review alongside the Group's four Global Business Units (GBU).

Each year, the Group's ERM process begins with a prior-year risk review by the Executive Committee. An ERM campaign is then launched across the Group, setting out guidelines for risk management throughout the year. It results in a new Group risk review that is presented to the Executive Committee, and then to the Audit Committee. After examining the review, the Audit Committee gives its opinion on the effectiveness of the risk management framework to the Board of Directors.

The acknowledgment of risks reported by the operating entities and functional departments is supplemented by interviews with managers, an analysis of publications by external analysts and a review of major events (see Section 3.1.1.5 "Risk management process and internal control of the Sustainability Statement").

2.1.2 Crisis management

To prepare for the occurrence of all types of crises, ENGIE has had a global crisis management system for years. The aim of this system, deployed at all levels of the Group, is to provide a major incidents warning and reporting system. An analysis of the situation is carried out by a local duty officer who may, when necessary, set up a locally run crisis unit and inform the senior duty officer. Decisions required to manage the crisis are made at the relevant organizational level, according to the principle of subsidiarity.

Business continuity and recovery plans have been prepared and updated for the priority crisis scenarios identified by the Group and its entities.

To test the robustness of the organization and to ensure continuous improvement, the entities carry out at least one crisis drill per year across a functional and geographic scope that meets regulatory requirements. Additional training is also provided to internal stakeholders. An internal control framework allows the main entities to carry out an annual self-assessment of their maturity. Peer reviews are carried out annually on a group of entities to confirm these self-assessments. Lastly, an annual report is prepared to draw conclusions and initiate the necessary improvement actions to be taken. This involves and is shared with all entities.

However, the existence of this system does not eliminate the risk that the Group's activities and operations might be disrupted in crisis situations. Moreover, this system cannot guarantee the absence of any impacts on third parties or on the environment.

2.1.3 Risk and insurance coverage

ENGIE's Risk Management and Insurance Department is responsible for preparing, establishing and managing insurance programs with regard to asset protection (against property damage and financial losses), personal insurance, third-party claims (civil liability), motor insurance and loss prevention.

For each of these areas:

- the amounts insured depend on the financial risks resulting from potential claim scenarios and coverage conditions offered by the market (available capacities and price conditions);
- financing is optimized: low or moderate severity risks are covered by self-insurance plans, through deductibles and retentions or through the use of the Group's reinsurance company whose commitments represent a maximum estimated loss of approximately 0.29% of the Group's 2024 revenues on a cumulative basis.

However, the Group could, in certain cases, be required to pay out sizable compensation not covered by the current insurance program or could incur very high costs that its insurance policies do not reimburse or reimburse partially. Although the Group has excellent insurance coverage, specifically with regard to civil liability and environmental risks, it could be held liable beyond the maximum insured amount or for events not covered (primarily due to standard insurance exclusions).

2.1.3.1 Civil liability

A civil liability insurance program for corporate officers and executives covers ENGIE, its subsidiaries and Group representatives within its equity holdings.

A general third party liability insurance program (including for environmental damage) has been taken out for all the subsidiaries for a global limit of up to €625 million. The program predominantly provides coverage from the first euro or coverage for amounts in excess of the underlying coverage taken out by certain entities (usually up to USD 50 million).

2.1.3.2 Nuclear civil liability

As an operator of nuclear units in Doel and Tihange, Electrabel's civil liability is governed by the Paris and Brussels Conventions (the 2004 protocols to amend said conventions came into force on January 1, 2022), which aim to ensure that victims receive compensation and to encourage solidarity among signatory countries, and by the Belgian Act of July 22, 1985, (amended by the Acts of June 29, 2014, and December 7, 2016).

This liability falls exclusively on the operator of the facility where the nuclear accident occurs. In return for this strictly objective liability, the amount of compensation is capped at €1.2 billion per accident. Beyond this limit, the signatory countries to the conventions have set up a supplementary compensation system.

The nuclear civil liability insurance program taken out by Electrabel on January 1, 2024, on the insurance market, complies with the revised Paris and Brussels Conventions and with Belgian national law requiring the operator to provide financial guarantees or to take out civil liability insurance for up to €1.2 billion.

2.1.3.3 Property damage

The Group's entities benefit from property insurance covering the facilities that they own, lease or manage on behalf of third parties, with the exception of gas transmission and distribution network pipelines and heat networks in France. The main programs provide coverage based either on the replacement value or on contractual limits per loss event. In the latter case, the limits are set on the basis of major scenarios estimated in accordance with insurance market rules and available offers (cost and capacity).

Insurance covering business interruption and increased cost of working is taken out based on each risk analysis and in consideration of existing contingency plans.

Construction projects are covered by "Erection All Risks" insurance programs taken out by the owner or operator, project manager or main contractor.

2.1.3.4 Employee protection programs

The operating entities develop programs covering employees against the risk of accidents and for medical expenses, in accordance with legislation in effect and pursuant to company agreements.

2.2 RISK FACTORS

2.2.1 Political and regulatory risks

The Group is aware of the structural and economic risk factors that affect the energy sector. These risks are all analyzed and assessed as part of strategic planning processes that allow the Group to anticipate certain changes in the external environment and prepare for them. The Group's research and innovation roadmap and organization also help to deal with strategic developments (see Section 1.3 "Research and innovation").

2.2.1.1 Risk of State intervention and regulatory changes in the context of political uncertainty

Criticality: **Risk trend:** *Increase*

DESCRIPTION

In Europe, the period 2021-2024 was shaped by a sharp rise in energy prices, followed by a partial return to normal, the continuation of the conflict between Russia and Ukraine, and changes in the electricity market. This led some European countries to intervene in energy market design, against a backdrop of energy transition tensions.

Uncertainty persists surrounding implementation of the new conditions of the framework that will come into force after regulated access to historical nuclear energy (*Accès régulé à l'électricité nucléaire historique* – ARENH) ends on January 1, 2026, in light of the fact that no changes have been made to the budget bill, which was adopted in February 2025. These regulations may have an impact on the positioning of ENGIE's commercial offerings in the country, where the political climate remains unstable.

As regards financing instruments for energy renovation, growing and complex obligations imposed by legislators in several countries could curb the performance of the Group's energy production, marketing and management activities. In Belgium, for example, the complexity of the criteria for validating and obtaining green certificates associated with biomass production could impact the related revenues. In France, uncertainty still surrounds the current and future (2026-2030) obligations inherent to the energy savings certificates (ESC) required from energy providers regarding the associated volumes and implementation terms and conditions. In addition, as the requirements of the new regulation on biomethane production certificates (BPC), a major opportunity for biomethane production in France, are still recent, it is difficult to characterize the risk induced for gas sales activities.

Outside Europe, in Brazil in particular, ENGIE is exposed to changes in the regulation of the country's electricity markets, such as the adjustment of subsidies or the introduction of new tax charges.

With regard to the Brazilian gas market, whose legislation is currently being harmonized between countries with a view to opening it up, the main risk for ENGIE's gas transmission subsidiary (TAG) relates to the planned transport system "bypass" project (direct connection of energy sources to local energy distributors or to end-consumers). This may reduce the capacity of gas transported, leading to an increase in tariffs and the risk of a multiplication in "bypass" demands.

In terms of tax regulation, the Brazilian tax system remains complex and could potentially evolve. There are a number of ongoing disputes concerning the application of taxes. The most recent concern the appeals notified by the tax authorities to TAG on September 23 and November 29, 2024. Settling these disputes could take several years (see Note 23.1.1 of Section 6.2.2 "Notes to the consolidated financial statements"). At the end of December 2024, the

RISK MANAGEMENT MEASURES

In Europe, the Group continues to work with the various national regulators and with the European authorities (Commission), where the measures stem from EU texts, to ensure better consistency between regulatory proposals and their objectives and with the aim of alerting them to specific implementation issues.

With regard to the post-ARENH market framework, the Group has publicly expressed its position in response to the government consultation (draft protection system for electricity consumers from January 1, 2026) and is discussing these matters with the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* – CRE) and the ministries. On December 5, 2024, the ministers in charge met with all utilities, including ENGIE.

The Group continues to closely monitor:

- the application of the electricity market reform regulation in the law of the Member States;
- the future of the post-ARENH system in the bill on energy sovereignty.

With regard to green certificate, ESC and BPC obligations, the Group remains active in various countries, in particular via:

- regular dialogue with local legislators;
- assurance that the system will be implemented by the authorities in a way that is compatible with the requirements of utilities (Emission Trading System 2 (ETS) eligibility, recognition of the decarbonizing nature of BPCs, support for indexing the penalty to inflation, etc.);
- the development of biomethane production via the Group's dedicated entities in France and Europe;
- the implementation of an optimal organization between the sales and energy management activities to secure the supply of biomethane.

Outside Europe, the Group offers its experience in market design to Brazilian institutions, notably through its participation in the formal process of transforming the local system. Other companies involved in electricity production or gas transmission in Brazil, which are also affected by potential modifications, share the Group's opinion and have taken action to ensure the neutrality, or positivity even, of developments in market design. Politically speaking, Brazil's need to continue to attract foreign investment limits the risks.

In addition, the Group continues to closely monitor regulatory and legislative reforms in Brazil to anticipate them as effectively as possible and set up measures to limit any negative impact on the profitability of its businesses.

DESCRIPTION	RISK MANAGEMENT MEASURES
general framework for federal, state and municipal VAT was approved, with a phasing-in scheduled until 2033. Other modifications to taxation may be adopted in the years ahead, relating to dividends (not taxed to date), and corporate tax. The effects are not yet known and may offset one another completely or partially.	The current objective for the gas transmission activity is to avoid the various "bypass" projects and to obtain the clear definition of the legal rules in the new law. To do so, TAG and the Group are participating in the public debate with various stakeholders and closely following the implementation of the new legal framework at both federal and local level. TAG filed a complaint with the tax authorities on October 21, 2024. As provided for in tax legislation, filing a complaint suspends the applicability of the above-mentioned tax liabilities and does not involve any financial payment.

2.2.1.2 Risk of a downward trend in the return on gas distribution, transport, storage and regasification assets in France

Criticality: **Risk trend:** *Stable*

DESCRIPTION	RISK MANAGEMENT MEASURE
Tariffs for access to gas networks (distribution, transport, storage, regasification terminals) in France are regulated. The tariffs are fixed by the French Energy Regulatory Commission (*Commission de régulation de l'énergie* – CRE), which may change their level and structure if deemed justified, particularly in view of financial market trends and foreseeable changes in operating and investment costs. These tariffs also include performance incentives. In most cases, they are reviewed every four years, following a public consultation process and public hearings. The new gas network tariffs (transport, storage and distribution) applicable for a period of four years (ATRT8, ATS3 and ATRD7), came into force from January 2024 for storage, from April 2024 for transport and from July 2024 for distribution. The asset compensation rates are very close to previous tariffs (down 15 basis points for transport and storage, down 10 basis points for distribution). Tariffs also incorporate significant price adjustments and rebalancing of costs related to cumulative inflation from previous years. Regarding regasification tariffs (ATTM 6), in force since April 1, 2021 and applicable for a period of four years, their review was confirmed in the CRE deliberation of January 9, 2025 in view of deciding the new tariff (ATTM 7), applicable from April 1, 2025.	The Group is in discussions with the CRE regarding the tariff review system, which enables fluent dialogue with all stakeholders. In addition to introducing measures to develop the production of green gas and ensuring it is competitive in the long term, the Group continues to uphold: • positions to ensure the country's supply security; • a fair return on assets that is adapted to the new short and long-term economic environment; • the adequate coverage of its costs in order to maintain a high standard of service and to enable the necessary investments for the energy transition; • the recognition of the flexibility provided by the gas system to the energy system and its valuation. It also strives to enhance its performance in order to establish a competitive tariff trajectory.

2.2.2 Risks deriving from climate and environmental issues

The Group's businesses are exposed to numerous rules and regulations relating to respecting and protecting the environment and persons and to the energy transition. The risk of adapting business models due to the energy transition in a context of increased competition in certain Group businesses is presented in Section 2.2.3.1.

Issues associated with soil pollution are specifically being monitored (see Section 3.5.4.11). Provisions are made for these issues in the financial statements when sites are dismantled and rehabilitated (see Note 17.3 of Section 6.2.2 "Notes to the consolidated financial statements").

Risks related to climate and environmental matters are discussed in greater detail in Chapter 3.1 "Sustainability Statement" **[ESRS 2-SBM]**.

2.2.2.1 Risk of a change in the noticeable effects of climate change affecting energy demand and generation

Criticality: **Risk trend:** *Stable*

DESCRIPTION

Changes in the Group's asset production

While renewable energies (solar, wind and hydropower) are essential to building a decarbonized system, they remain the energies that are most affected by the physical impacts of climate change. In the regions where ENGIE operates, hydropower generation is the most exposed technology, due to the strong fluctuations in annual and infra-annual production expected between now and 2050. Conversely, thermal assets should be resilient to production fluctuations.

Changes in energy demand

The impact of climate change on demand is reflected in a change in heating and cooling requirements. While heating requirements are set to decline, cooling requirements are expected to increase over the coming decades. The analysis of chronic trends in energy production and demand is based on the IPCC's RCP 4.5 (central scenario) and RCP 8.5 (stress test) scenarios of the Intergovernmental Panel on Climate Change (IPCC).

RISK MANAGEMENT MEASURES

To adjust supply to fluctuations in annual demand, ENGIE:

- optimizes its portfolio of assets, its gas resources (by load-matching its supplies and managing its underground storage), and its power generation fleet;
- harmonizes energy demand projections with the impact of climate change for the various GBU through the medium-term business plan process.

2.2.2.2 Risk of a change in the noticeable effects of climatic events impacting asset availability and performance

Criticality: **Risk trend:** *Stable*

DESCRIPTION

Integrity of facilities

Asset integrity may be affected by an increase in the number of extreme events. For the past three years, the Group has been working to increase its resilience to climate change. The main metrics are heat waves, heat stress, water stress, floods (Asia, France, Belgium, Brazil), extreme winds (Puerto Rico), landslides (Chile), wildfires (United States) and coastal erosion. The sensitivity of ENGIE's various technologies to these risks has been assessed with the Group's operational experts. Analyses are carried out on exposure to degrees of warming: +1.5°C and +2°C and since 2024 on +3°C and +4°C.

Supply chain for goods and services

In addition to ENGIE's own assets, climate change will impact all the players and networks in the ecosystem in which the Group operates. This impact may be global (worldwide disruptions to the supply chains for fuels and products such as solar panels or wind turbines) or local (blockage of access roads to a site due to a storm, disturbance of the electricity grid onto which a site injects its production, etc.).

RISK MANAGEMENT MEASURES

ENGIE has implemented actions at both strategic and operational levels to mobilize all of the Group's stakeholders on the subject and anticipate the impacts of climate change on existing sites as well as new projects:

- the inclusion of climate risk in the Group's geographic and technological portfolio selection criteria at local and national levels;
- climate risk analysis and the implementation of adaptation plans where necessary for all new projects (Business Development process);
- identification of existing sites at risk from climate change and monitoring of the implementation of adaptation measures (Enterprise Risk Management (ERM) adaptation process);
- harmonization of energy demand projections with the impact of climate change for the various GBU through the medium-term business plan process;
- annual monitoring of material damage occurring at ENGIE sites.

2.2.3 Economic and competition risks

2.2.3.1 Risk of adaption or development of business models due to the energy transition in a context of increased competition in some of the Group's businesses

Criticality: **Risk trend:** *Increase*

DESCRIPTION

The energy transition, intensified by the international geopolitical and French political environment, has brought about several changes in the businesses in which the Group operates:

- a greater need for system flexibility due to the growing penetration rate of intermittent energies;
- the decentralization of energy generation and sales;
- the emergence of digital technologies and smart energy which has an impact on the electricity and gas value chain;
- changes in trading activities with new products and markets to support customer decarbonization initiatives;
- French regulations in support of decarbonization through greater electrification.

Competition continues to intensify on these various energy markets, with key players (oil companies, etc.) becoming increasingly active throughout the entire value chain.

Regarding the adaptation of some of ENGIE's activities, the European and French guidelines, and in particular the latest public outlook for the upcoming Long Term Energy Schedule (PPE), intend to limit gas use. The Energy Performance of Buildings Directive (EPBD) does not ban boilers, particularly those fueled by low-carbon gas, but it calls for potential measures that are unfavorable to gas boilers. This vision brings with it a number of risks, particularly for the energy system and for GRDF's natural gas distribution business, which could see a decline in the number of customers using natural gas (see Note 17.3.1 of Section 6.2.2 "Notes to the consolidated financial statements").

In terms of the Group's development, particularly in the United States, increased competition in storage capacity and renewable energies is making development goals more difficult to achieve. In addition, the latest orders adopted in January 2025 by the US administration could have an impact on the development of offshore wind power (which the Group invests in through the Ocean Winds joint venture), while the regulatory situation for onshore wind power, facilitated by the Inflation Reduction Act (IRA), remains unchanged to date (see Note 17.3 of Section 6.2.2 "Notes to the consolidated financial statements").

RISK MANAGEMENT MEASURES

To meet these current and future challenges and adjust its business model, in 2024 the Group presented its updated energy transition scenario for Europe by 2050 (see also Section 3.1 "Sustainability Statement" **[ESRS 2-SBM]**).

This scenario is based on five major beliefs, including:

- the alliance between the electron and the molecule as the key to success in the transition;
- the massive development of electric renewable energy;
- the anticipation, upstream, of flexibility needs.

In the meantime, the Group regularly develops new offers to meet changing customer demand: digitalization, offers of energy from renewable sources, and development of solutions that contribute to carbon neutrality.

In addition, the Group has strengthened, with French public bodies (particularly in the framework of the guidelines of future energy regulations) and the European authorities, its actions to promote gas as indispensable to the acceleration and achievement of a resilient and affordable energy transition in various areas. These actions include the defense of heating use via the development of hybrid heat pumps, the competitiveness of green gases, the market design of biomethane and energy complementarity.

With regard to the development of biomethane, in addition to the shift to an industrial scale of this sector in France and its stepped-up expansion in Europe, the Group is also developing second-generation biomethane production lines, using biomass pyrogazeification.

Downstream, the Group's transport and distribution networks adapt their infrastructure to allow the delivery of biomethane to customers at the lowest cost in parallel with existing infrastructure conversion projects for the transport of green hydrogen and the improvement of injection conditions in the networks.

Moreover, the Group is continuing to rebalance its portfolio of networks in terms of technologies; electricity infrastructure (via the construction and ongoing operation of high-voltage lines) and geographic areas (development outside the European Union to growth countries).

In terms of development of renewable energy, and in particular in the United States, ENGIE is continuing to step up its investment strategy focused on renewable energies and battery storage capacities, while also continuing to secure its solar panel supply chain.

2.2.4 Financial risks

2.2.4.1 Commodities market risk

Criticality: **Risk trend:** *Stable*

DESCRIPTION

The Group is chiefly exposed to two kinds of energy commodity market risk: price risk directly related to fluctuating market prices or spreads between market prices (for example: basis risk in nodal markets, due to congestion risk such as in the United States) and volume risk (weather risk and/or risk depending on economic activity) mainly in Europe (Belgium, France, Spain, Italy, the Netherlands, the United Kingdom, etc.), the United States, Australia and South America (Brazil, Chile, etc.). The Group is exposed to these risks, particularly with regard to gas, electricity including capacity certificates (CRM – Capacity Remuneration Mechanism), CO_2 and other green or white products related to the energy transition (Guarantees of Origin, green certificates, energy savings certificates) (see Note 15.1.1 of Section 6.2.2 "Notes to the consolidated financial statements").

Exposure to price risk is concentrated on assets and nuclear drawing rights in Belgium and France respectively, on hydropower and thermal gas assets and part of onshore wind power assets (Spain, France, United States). Solar power assets and a share of onshore wind power assets, which are under contract until at least 2030, generate very little exposure to price risk but are exposed to risks relating to their intermittent nature. Electricity and gas sales activities are hedged as close to sales as possible to limit pricing and volume risks.

With the exception of trading activities, market risks are assessed by evaluating their impact on EBIT. Accordingly, the main risk indicators for managing the energy portfolios include sensitivity to unit price changes, EBIT at Risk, portfolio hedging ratios and stress tests based on predefined adverse scenarios. For trading activities, and in accordance with market standards, risk indicators include sensitivities, Value at Risk (VaR), loss limits (drawdowns) and stress tests (see Note 15.1.1 of Section 6.2.2 "Notes to the consolidated financial statements").

RISK MANAGEMENT MEASURES

Through a Group policy updated in 2023, the Group has implemented a specific governance process to manage energy market and liquidity market risks based on:

- the general principle of segregation of risk management and risk control duties;
- a Group-level Energy Market Risks Committee that is responsible for validating the risk mandates of each of the operating entities and monitoring consolidated exposure;
- the monitoring of market and liquidity risk mandates at different levels within the Group, and a "watch out" process;
- the centralization, within the GEMS entity, of liquidity risk management associated with margin calls and wholesale market interventions to cover market and liquidity risks (see Section 1.6.6);
- an incentive for operating entities to reduce the risk within the Group; and
- a specific control functional line coordinated by the Finance Department.

Part of its electricity production activity, particularly outside Europe, is covered by long-term Power Purchase Agreements (PPA) and complemented by corporate PPAs in renewable electricity production activities reducing exposure to market prices over the term of these contracts.

The Group also uses hedging products to provide its customers with hedging instruments and to hedge its own positions.

With regard to the liquidity impacts of the risk, in a context of major volatility of margin calls (the market mechanism implemented to manage counterparty risk), the Group has a monitoring process for these margin calls at the GEMS level in particular, and uses instruments aimed at reducing the volatility induced.

2.2.4.2 Counterparty risk

Criticality: **Risk trend:** *Stable*

DESCRIPTION	RISK MANAGEMENT MEASURES
Due to its financial and operational activities, the Group is exposed to the risk of default by its counterparties (customers, suppliers, partners, intermediaries, and banks) – see Note 15.2 of Section 6.2.2 "Notes to the consolidated financial statements." The impact of this may be felt in terms of payment (non-payment for services or deliveries made), delivery (non-delivery of supplies or services that have been paid for), assets (loss of financial investments), or loss of earnings in the event of customer bankruptcy or additional costs in the event of supplier default. The current decline in the economic environment in certain regions, high energy prices particularly in Europe, and conflicts in the Middle East and Ukraine continue to keep this risk high. The development of green offers through corporate PPAs over longer periods than traditional sales led the Group to tighten its requirements for the rating of these counterparties and the guarantees requested in order to limit the increase in these counterparty risks.	The financial soundness of customers is assessed before contracts are signed, using the same methods and tools across the entire Group. These risks are managed via contracts and framework agreements that use standard mechanisms such as third-party guarantees, netting agreements and margin calls, or dedicated hedging instruments. The operational activities may also involve prepayments or suitable recovery procedures, especially for retail customers. Lastly, the observed increase in the risk of default by the Group's counterparties, reduced by the introduction of tariff shields in several countries, prompted the Group to: • strengthen its monitoring of arrears; • take into account, when assessing its expected credit losses, forward-looking information concerning economic sectors considered as the most sensitive to the economic and geopolitical crisis.

2.2.4.3 Pension funding risk

Criticality: **Risk trend:** *Stable*

DESCRIPTION	RISK MANAGEMENT MEASURES
A significant portion of Group pension commitments and the assets associated with these plans are concentrated in France and in Belgium. Other defined-benefit pension plans are mainly located in Europe and Brazil. Where possible, the Group favors defined-contribution plans over defined-benefit plans. The effect of the closure of the electricity and gas industries sector (EGI) special pension plan to new entrants as of September 1, 2023, will only be seen in the long term. This is due to the large number of employees and retirees still under the EGI pension plan. Note 18 of Section 6.2.2 "Notes to the consolidated financial statements" details the items measured and recognized. The calculation of commitments is estimated via actuarial methods using methodologies, assumptions and models to assess liabilities or determine asset allocations and associated risks that could have a significant impact on hedging levels and financing requirements. In addition to pension liabilities, there are other significant commitments related to post-employment benefits and long-term employee benefits. For example, the value of the energy-related benefit provided to EGI employees during retirement could see its value increase in a context of high energy prices. Hedging levels and financing requirements for the Group's pension plans vary according to the performance of financial markets and asset allocations, as well as interest and inflation rates and changes in the applicable legal and regulatory framework. For some plans outside the scope of the EGI, ENGIE may be required to fully or partly finance any difference between the market value of these assets and the hedging levels projected for these plans, or any insufficient return on the assets in relation to the guaranteed average minimum rates. Overall for 2024, the funds posted a positive performance due to the increase in corporate bonds and the rise in European and global equities, driven by a drop in inflation despite geopolitical tensions. Over the coming years, the risk remains open.	The Group has implemented a policy to hedge pension commitments specific to each country and to relevant legislation. Within the scope of the special EGI regime in France, the plan is financed through the outsourcing of assets within the framework of life insurance contracts. For the majority of international plans, liabilities are hedged through the funding of pension funds in which the Group strives to play a role in their governance, as far as legislation allows. The energy benefit in kind granted to employees within the EGI scope during the retirement period is not hedged.

2.2.5 Operational risks

2.2.5.1 Supply risk for the construction of renewable energy plants and electricity storage capacity (batteries)

Criticality: **Risk trend:** *Increase*

DESCRIPTION

Against a global backdrop of energy transition, combined with international geopolitical tensions, low-carbon technology suppliers continue to be in high demand by all energy players. These suppliers are still also impacted by the geographical predominance of manufacturing certain raw materials in regions concerned by economic sanctions and restrictive customs measures. In addition, the geographic diversity of equipment prodution and assembly for the construction of renewable energy plants exposes them to the risk of customs duties.

As an example, in the United States, the Group is developing solar farms and electricity storage capacities and imports the majority of its solar panels for these farms and battery equipment from Chinese provinces. Some producers in this region have been banned since 2021 by the US authorities, due to allegations of forced labor. In addition, products from other Chinese manufacturers have been subject to significant customs hikes since September 2024. Furthermore, the price of these raw materials as well as the cost of international shipping has risen considerably.

These different factors may lead to delays in building new renewable energy plants and electricity storage capacities and additional costs exceeding the project contingencies and result in customer complaints.

RISK MANAGEMENT MEASURES

The Group continues to develop different strategies to limit its dependence on key suppliers and supply chain risks:

- by diversifying its supply sources: the Group is working on building partnerships not only with its usual compliant suppliers, but with producers from outside high-risk countries that are located as close as possible to end-users;
- in the United States, the Group has ;
  - commissioned a specialist control body to conduct audits on the traceability protocols of solar panel suppliers and their capacity to comply with US import regulations,
  - increased sourcing of equipment from local suppliers and diversified the geographical sources for the supply of batteries and their components;
- through collaboration with suppliers: the Group is strengthening circularity and sustainability well upstream of the value chain;
- the Group's key suppliers are monitored by the partner EcoVadis. The regular assessment of ethics, environment, sustainable procurement, work and human rights aspects helps ensure the monitoring of suppliers. This assessment is taken into account during the selection of new suppliers;
- in the longer term, the Group is working on improving the technologies used and recycling materials from its old farms via its research centers;
- lastly, ENGIE is part of several solar and wind power initiatives in the sector to share and improve its risk management practices. At WindEurope, ENGIE is a member of the sectoral initiative managed by EcoVadis to improve the transparency of its supply chain.

These measures are also covered by the Group's Vigilance Plan which is presented in Section 3.2 "Vigilance Plan."

2.2.5.2 Cybersecurity

Criticality: **Risk trend:** *Stable*

DESCRIPTION

The use of modern technologies (connected objects, mobility, cloud, collection and analysis of data on digital platforms, digital tools, etc.) exposes the Group to threats of cyber-attacks. The digitalization of administrative processes such as the management of energy production, the supervision of energy services or gas infrastructures could lead, in the event of a cyber-attack, to risks of service interruption or loss of productivity, as well as a potential reputational impact and fines or contractual penalties.

Cybersecurity risk covers a number of threats such as ransomware attacks (extortion), cyber sabotage of industrial control systems, theft of personal data (from customers for instance) or sensitive information.

While ENGIE has, like any other company and community, experienced an increase in attempted cyber-attacks since the start of the Covid-19 crisis, the Group was well prepared for remote working through its "cloud first" approach and has not particularly been affected by this increase thanks to a good level of cybersecurity built into its IT infrastructure.

In 2022 in the context of the Russia-Ukraine conflict and the energy crisis, the risk of a cyber-attack against the energy sector has increased according to the French National Information Systems Security Agency (*Agence nationale française de sécurité des systèmes d'information* – ANSSI). At ENGIE the number of cyber-attack attempts, including against industrial assets, has remained relatively stable despite an increase in phishing attempts in 2023.

In 2024, the Paris Olympic Games once again intensified the cyber threat particularly against French companies due to the global reach of the event. During this period of risk exposure, ENGIE strengthened its parametric protection, response and human intervention capabilities.

The ongoing digitalization of the Group's activities, the integration of new entities or the creation of joint ventures, the use of subcontractors, as well as the limitation of available cyber insurance coverage, could also contribute to the increase in exposure to this risk, despite the constant progress made by ENGIE in terms of cybersecurity.

RISK MANAGEMENT MEASURES

The Group constantly adapts its prevention, detection and protection measures for its IT systems and critical data. These include:

- a Security Operations Center (SOC) in charge of monitoring its critical infrastructures and applications (management and industrial) and detecting incidents. The SOC acts at a global level and is operated jointly with Thalès; it monitors, in particular, the Group's regulatory developments and requirements;
- a cyber incident response team (CERT) guaranteeing an appropriate response to cyber-attacks within the Group and interaction with partner or government organizations such as the French National Information Systems Security Agency (ANSSI);
- reinforced controls for access to its internal and cloud platforms. The use of secure collaborative tools in the cloud, with two-factor authentication, has helped avoid increasing exposure to cyber risk with the development of remote working;
- intrusion prevention devices on its networks and systems, including in the cloud, as well as encrypting its sensitive data;
- a program to secure its industrial environments and guarantee the security of sensitive sites;
- a cyber risk awareness program including mandatory training in good cybersecurity practices for all employees;
- cyber insurance.

To comply with regulations such as European Regulation No. 2016/679 on the protection of personal data, European Directive No. 2016/1148 on the security of networks and information systems, evaluations are organized on site or for relevant applications and some Group entities have initiated ISO 27001 certification procedures for their IT systems. ENGIE also works with a cyber rating agency in order to have independent control of its cybersecurity level.

Major attacks are managed by specific cyber incident response and cyber crisis management systems, in addition to the Group's crisis management system. Exercises to restart sensitive systems are carried out, particularly addressing "ransomware" type scenarios.

Organizational, functional, technical and legal cybersecurity measures are subject to permanent controls which include test campaigns (intrusion, social engineering and phishing).

See also Section 3.1.4.3.1 "Cybersecurity".

2.2.5.3 Risk of industrial accident

Criticality: **Risk trend:** *Stable*

DESCRIPTION

The areas of activity in which the Group operates involve industrial risks that could cause harm to individuals, property or the environment, in line with its profile as a utility. These risks could expose the Group to civil, criminal and/or environmental liability claims, with a potentially significant impact on its reputation. They could relate to facilities belonging to or managed by the Group on behalf of clients, or facilities serviced by employees.

Industrial facilities and Seveso sites

The Group operates and builds systems for gas transmission, distribution and storage, regasification, gas liquefaction and biomethanization. It also operates and builds gas-fired power production plants, hydropower plants, wind farms and photovoltaic plants and provides services in an industrial environment. Some of these facilities are classified as "upper tier" Seveso sites.

Risks of industrial accident can stem, for example, from operating incidents, defective design or construction, or from external events (including third-party actions and natural disasters). These accidents could cause injuries, loss of life, property or environmental damage, business interruptions and operating losses.

The number of unplanned outages of ENGIE's industrial sites remains stable at overall portfolio level.

RISK MANAGEMENT MEASURES

The operation of all industrial assets was maintained by controlling the related risks and reinforcing surveillance in terms of cyber-attack risks to the industrial control systems or related to the risk of potential malicious acts against the Group's facilities.

Entities operating industrial assets implement a number of measures designed to mitigate the related risks, for example:

- compliance with applicable regulations, such as the European "Seveso III" Directive(1);
- implementation of safety management systems based on continuous improvement, aimed at reducing the level of residual risk;
- identification of incidents and accidents, then implementation of action plans to avoid their recurrence;
- definition and implementation of action plans based on continuous improvement.

Moreover, industrial safety is specifically incorporated into the Group's audit and internal control programs.

In addition, ENGIE hires external experts to audit its industrial assets. Regular audits are carried out by the competent local authorities.

For the most part, these risks are covered by insurance policies. In the event of a major claim, these policies could prove insufficient (see Section 2.1.3 "Risk and insurance coverage").

Additional information is presented in Section 3.1.4.3.3 "Industrial safety".

(1) Directive 96/82/EC amended and superseded by Directive 2012/18/EU (Seveso III).

2.2.6 Social and societal risks

The Group is also still exposed to risks whose direct financial impact is difficult to assess, but whose non-financial impact is considered significant. These risks are discussed in greater detail in Chapter 3 "Sustainability Statement and Vigilance Plan".

2.2.6.1 Risks related to human resources

Criticality: **Risk trend:** *Stable*

DESCRIPTION	RISK MANAGEMENT MEASURES
The risk analysis approach relating to human resources revealed three main risks: **Risk of loss of skills and talent, increased turnover** As part of its transformation plan, the Group may encounter difficulties in acquiring the skills required for its development. The labor market in the energy sector is shaped by intense competition for the recruitment of qualified staff. In certain emerging sectors such as hydrogen and renewable energy, this competition is increasing, leading to a shortage of experienced labor. **Psychosocial risks** Changing jobs and working practices can generate a loss of motivation, confusion and a feeling of unease among some employees. This is a risk factor likely to favor absenteeism and resignations. See Section 2.2.6.2 "Risks associated with health & safety at work". **Social climate** The "social climate" risk is more prevalent in France and Belgium, due to economic and social issues such as wage negotiations and purchasing power. In addition to this, there is a fear that changes in regulations related to measures for the ecological transition may adversely affect employment.	**Risk of loss of skills and talent, high turnover** The Group is undertaking the following measures: • rollout of employee retention and development programs, in particular juniors, high-potential talents, critical positions and employees identified in succession plans; • strengthening internal mobility, at all levels and entities within the Group; • targeted implementation of strategic job planning, which addresses current critical needs and future skills requirements; • work aimed at strengthening the employer brand, in particular through a strong communication plan both internally and outside of the Group; • design of customized training programs to maintain and develop key skills. **Psychosocial risks** Actions implemented under the No Mind at Risk line of prevention: • awareness-raising and training of managers within the Group in the detection of psychosocial risks; • establishing mechanisms for listening to and collecting ethical or health & safety alerts, and the introduction of self-assessments of psycho-social risks; • annual employee engagement survey (ENGIE&Me) and interactive oversight of associated action plans; • setup of an improvement plan related to the Employee Value Proposition. **Social climate** Main actions implemented: • continued promotion of positive and constructive social dialogue with unions, while ensuring effective communication with employees; • global rollout of the ENGIE Care program, a modern and comprehensive social agreement, aiming to ensure social protection for all Group employees. See also Section 3.1.3.1 Respect for human rights.

2.2.6.2 Risks associated with health & safety at work

Criticality: **Risk trend:** *Stable*

DESCRIPTION
The Group operates in a number of areas which involve risks likely to affect the health & safety of its employees, subcontractors and temporary workers.

RISK MANAGEMENT MEASURES

The Group is committed to eradicating serious and fatal accidents and continuing to reduce occupational accidents, and to improve workplace well-being.

The Group has defined two areas of prevention: the first, "No Life at Risk", relates to accident prevention, and the second, "No Mind at Risk", deals with improving well-being at work and preventing psychosocial risks.

Following the fatal accidents in 2021, the Group's Executive Management decided to implement a major transformation plan called "ENGIE One Safety," focusing on improving safety culture and managerial leadership and promoting commitment and vigilance among all individuals to protect their lives and those of others.

The transformation plan includes the implementation of a new training and coaching program dedicated to all Group managers, in addition to the standard training followed by all Group employees. This program is intended to improve the efficiency of managerial safety rituals, such as safety visits, to promote appropriate safety behavior among employees, temporary workers and subcontractors with regard to risks. The roll-out of this training-coaching program for managers began in 2023, continued in 2024 and should be completed in 2025.

The Group has also implemented several awareness-raising actions to improve health & safety at work:

- communication and awareness campaigns on major risks;
- organization of world safety week;
- organization of Safety Stand Down in October, a time for all employees and subcontractors to remember colleagues who have died, and to reflect on ways of improving the safety of teams;
- organization of health & safety webinars;
- publication of newsletters.

Other actions have rounded out existing measures, such as the design and testing of a new internal control questionnaire dedicated to the prevention of psycho-social risks, and the publication of standards and technical instructions designed to improve control of the risks of falls from height and electrical risks.

The various provisions introduced in 2024 are described in Sections 3.1.3.2.6 "Health & safety of workers" and 3.1.3.3 "Workers in the value chain".

2.2.7 Risks relating to nuclear activities

Criticality: **Risk trend:** *Decrease*

In Belgium, Electrabel, a Group subsidiary, partly owns and fully operates seven pressurized water reactors at two nuclear power plants at Doel and Tihange. Two reactors in this fleet, Doel 3 and Tihange 2 were permanently shut down on September 23, 2022, and January 31, 2023, respectively. Doel 1, Doel 2 and Tihange 1 will shut down definitively in 2025, while Tihange 3 and Doel 4 will be extended by 10 years.

Electrabel established governance principles for the operation, maintenance and dismantling of nuclear power plants based on its experience as an operator. It is also active in employee recruitment, training and retention, both for facilities in operation and nuclear services entities, and is involved in developing new services. These activities are subject to several kinds of risks, at regulatory and political level, in operational terms for the operation, maintenance and dismantling of power plants and at the financial level.

DESCRIPTION

Dismantling of facilities

Costs associated with the dismantling of facilities and the management of nuclear waste and spent fuel are included in the costs of nuclear electricity generation and are the subject of provisions in this regard. The assumptions and sensitivities regarding the assessment of these amounts are detailed in Note 17.2 of Section 6.2.2 "Notes to the consolidated financial statements."

The agreement with the Belgian Government in December 2023 (payment in full of a lump sum discharge amount of €15 billion for the storage of waste) has considerably reduced the risk inherent to the cost of waste management, which has been definitively fixed with no residual liability for the operator once the waste has been packaged in accordance with the Contractual Transfer Criteria (CTC) defined with the National Agency for Radioactive Waste and Enriched Fissile Material (*Organisme national des déchets radioactifs et des matières fissiles enrichies* – ONDRAF) and established by Royal Decree.

The nuclear operator is responsible only for the risks related to:

- the cost of dismantling power plants and the cost of managing on-site storage of spent fuel waste until completion of dismantling operations and until 2050 at the latest; these costs are subject to triennial review;
- compliance of the volumetric credit of radioactive waste and with the conditioning of waste in accordance with the CTC and the fulfilment of its commitments.

Securing nuclear provisions

Securing nuclear provisions creates financial risks specific to nuclear activities.

This mainly concerns the risk of return on invested financial assets, which are the counterparty to the provisions set aside within Synatom (an Electrabel subsidiary), under the supervision of the Commission for Nuclear Provisions (*Commission des Provisions Nucléaire* – CPN). At December 31, 2024, these dedicated financial assets are invested to the tune of €13 billion in SICAV funds and will represent the whole of the nuclear provisions by 2031 (see Note 17.2.4 of Section 6.2.2 "Notes to the consolidated financial statements"). The volatility of the value of financial assets representing consideration for nuclear provisions represents a significant risk for the Group.

RISK MANAGEMENT MEASURES

Dismantling of facilities

For the residual risks that the Group must manage:

- in order to control the cost of dismantling power plants, a strengthened management control system and quarterly reviews of the program are organized;
- in terms of volumes, efforts to inventory and categorize the waste generated by dismantling are ongoing and should confirm that the volumetric credit obtained in exchange for the lump sum payment is sufficient;
- for waste conditioning, the CTC have been established and working groups with ONDRAF determine the conditioning arrangements in order to confirm the treatment process and cost.

Securing nuclear provisions

Concerning the financial risk associated with securing nuclear provisions, the agreement considerably restricts this since, following the European Union (EU) validation process carried out on February 21, 2025. €11.5 billion$_{2022}$ of these provisions will be paid for category B and C waste and €3.5 billion$_{2022}$ for category A waste will be paid when the units are restarted in November 2025 in full and final settlement of any account to the Belgian State with the public body Hédéra, which was created for this purpose.

For the balance of secured nuclear provisions, management of the investments is entrusted to a team led by a chief investment officer within Synatom. An investment committee composed of experts, who are all Synatom directors, is responsible for overseeing investment decisions. To this end, the investment policy is based on a controlled risk profile aimed at achieving performance objectives and substantial diversification of risks, and is based on a rigorous risk control policy.

DESCRIPTION	RISK MANAGEMENT MEASURES
Appeals against the permits necessary for nuclear operations Electrabel must obtain building permits and authorizations to operate certain nuclear facilities, which are often subject to appeals for annulment without suspensive effect. For example, permits are necessary for the construction of new buildings for temporary storage of spent fuel at the Tihange and Doel power plants before their transfer to ONDRAF in 2050 at the latest. For Tihange, the appeals against the required operating and planning permits of January 26 and February 21, 2020 were rejected by the *Conseil d'État* (Council of State) in June and October 2024, so that these permits are now definitive.	**Appeals against the permits necessary for nuclear operations** The nuclear activity's legal teams continue to closely monitor these disputes and assist the State agencies in their favorable resolution.
Risk of unavailability of the nuclear fleet The risk of one or more nuclear units not being available for technical, security or safety reasons including in particular an insufficient number of qualified operators on site or possible saturation of temporary radioactive waste storage, is likely to adversely affect performance targets. The industrial performance of Electrabel's nuclear facilities has improved over the 2020-2024 period and the key indicators are performing well. The availability of the nuclear generation fleet at the end of December 2024 was 86%, corresponding to a production of 30 TWh, while it was 89% in 2023.	**Risk of unavailability of the nuclear fleet** Management of the aging of the power plants is closely monitored. A specific policy to maintain skills is in place. New suppliers of additional equipment have been – or will shortly be – accredited by the authorities, in particular for the supply of containers to free up intermediate storage capacity for spent fuel in reactor unit pools, and the first containers have been delivered and loaded. The manufacturing and delivery program is continuing.
Safety of facilities and nuclear safety Since the commissioning of the first reactor in 1974, the Doel and Tihange sites in Belgium have not experienced any major nuclear safety incidents that could have represented a danger to employees, (sub)contractors, the general population or the environment. However, they could present civil liability risks for Electrabel, specifically in the event of a nuclear accident or the discharge of large quantities of radioactive material into the environment.	**Safety of facilities and nuclear safety** Electrabel has implemented an internal and industrial control system in accordance with the extremely high standards of the profession, such as the safety standards of the International Atomic Energy Agency (IAEA), which operates on several levels (see Section 3.1.4.3.3). All individuals working at nuclear power plants have the appropriate qualifications and are aware of their personal responsibility with regard to nuclear safety (see Section 3.1.4.3.3).

2.3 INTERNAL CONTROL PROCEDURES

2.3.1 Internal control objectives

2.3.1.1 Legal framework of application

ENGIE's internal control complies with the Financial Security Act adopted on August 1, 2003; and is based on the COSO II model of the Committee of Sponsoring Organizations of the Treadway Commission and the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) reference framework. It is guided by a Group policy which sets out, with regard to the applicable regulatory framework, the expectations and objectives of the Internal control function.

2.3.1.2 Internal control objectives

The purpose of ENGIE's internal control function is to provide reasonable assurance (as described by the COSO) that its activities are subject to adequate controls in terms of the following objectives:

- appropriate implementation and optimization of operations;
- the reliability of financial information; and
- compliance with laws and regulations as well as with instructions and guidelines set by Executive Management.

Consequently, ENGIE's internal control system is constantly adapted to take into account the challenges facing the Group. These adaptations respond to constant changes in regulations, the transformation of the organization, the development of new business lines or digital technology.

2.3.2 Internal control organization and stakeholders

2.3.2.1 Organization of internal control

The ENGIE Group has set up an internal control management program called "INCOME" (**IN**ternal **CO**ntrol **M**anagement and **E**fficiency) which is activated according to the risks and managerial challenges of each business line.

Internal control is first and foremost a managerial responsibility that applies at all levels within the Group so that each manager, as the "first line of defense," is responsible for developing an appropriate internal control system and for overseeing its efficiency.

The second line of defense in the internal control system is the responsibility of each functional department. In particular, financial internal control is overseen by the Internal Control Department within the Finance Department. The operating entities and countries on the one hand, and the regions and Corporate on the other, have their own internal control teams, which are responsible for managing the rollout of the internal control system within their scope. They act at their level in support of management and there is a matrix-style reporting relationship with the internal control function (dotted line) and local management (direct).

The Internal Control Department also global and cross-functional responsibility in terms of internal control. Its main duties include:

- keeping the Group Internal Control Policy and the program's "reference framework" up to date;
- directly and indirectly overseeing the actions of the Internal Control function within the Group; and
- managing and coordinating the system as a stakeholder of the "second line of defense" with the other functions (see Section 2.3.2.3.3). Each is responsible for the suitability and effectiveness of its internal control system in its respective area.

The Internal Control Department submits an annual review of internal control to the Executive Committee and the Audit Committee.

The internal control function is composed of all of these elements.

2.3.2.2 General compliance framework

2.3.2.2.1 Ethics and compliance

In line with its values and its undertakings, ENGIE aims to act in compliance with the laws and regulations in force in the countries where it operates in all circumstances. To this end, the Group has established an ethics and compliance policy that guides its strategic decisions, management and professional practices. It also has the necessary tools to measure compliance with this undertaking (see Section 3.1.4.1 "Ethics and business conduct").

2.3.2.2.2 Information systems

The IT solutions strategy, policies and standards are defined by the Group Digital and Information Technology (GDIT) Department. The security of the Information Systems (IS) of the Group's divisions and central functions is the responsibility of the corresponding Corporate Departments, in accordance with the policies and standards. The standardization of these business line applications and the security of the industrial control systems (ICS) are managed under the responsibility of the Global Business Units (GBU). The regions and entities are responsible for the security and resilience of their IS and ICS under the supervision of the GBU and the GDIT Department. The GDIT Department manages cross-divisional security actions, including awareness-raising actions, as well as the connection of Information Systems and industrial facilities to the Group's cybersecurity supervision platform (Global Security Operations Center).

2.3.2.2.3 Internal policies and standards

The functional departments implement and distribute Group policies that aim to define, according to the area in question, the main provisions applicable at all levels of the organization, in line with ENGIE's objectives and values.

ENGIE's internal control system systematically refers to these policies in the establishment of its reference framework, notably with regard to its compliance objective.

Decisions, standards and procedures setting out the Group's methods of operation supplement these policies.

In this respect, the Finance Department provides the procedures and rules intended to ensure the reliability of accounting and financial information applicable to the Group's entities.

The Internal Control Department provides all employees with:

- the Group internal control policy as well as a methodological guide to which the entities must refer, to help them define, assess and coordinate an internal control system adapted to the nature of their activities;
- internal control standards drawn up by the functional departments (see Section 2.3.2.3.3 "Second line of defense"), which set out the risks relating to activities in the relevant fields and the key controls designed to manage them;
- tools to assess the general control environment and the management of fraud risk, as well as practical guides covering cross-divisional subjects which include the segregation of duties, the management of accreditation and access rights to information systems, the protection of tangible and intangible assets, and the role of Directors representing the Group within the entities it owns.

All of these policies, standards and procedures are available on the Group's Intranet site.

2.3.2.3 The system's stakeholders

The stakeholders and their respective roles are presented according to a three-line defense model, overseen by ENGIE's governance bodies.

2.3.2.3.1 The Group's governance bodies

The Board of Directors, along with the Audit Committee, ensures the correct functioning of the Group's internal control system. The Executive Committee defines the organization and responsibilities of managers and ensures compliance with delegations of authority. An annual review of internal control is submitted to the Executive Committee and the Audit Committee.

2.3.2.3.2 First line of defense

The operational managers, who are responsible for the internal control of their organizations, constitute a key element of the system. Following the reference framework defined by the Group, they ensure that control activities are implemented, analyze the results, correct any deficiencies and endeavor to improve the efficiency of their system.

The Management Committees of the GBU, regional hubs and operating entities are responsible for establishing and overseeing the internal control processes covering the scope of their activities.

2.3.2.3.3 Second line of defense

This line of defense is organized into functions, overseen by the Group's functional departments. In addition to the Internal Control Department, whose duties were described in Section 2.3.2.1 above, the following departments are the main stakeholders of the second line of defense:

The Finance Department carries out accounting and financial internal control (see Section 2.3.3 below). Within this department, the Risk Management & Insurance Department is involved in risk identification for insurance purposes, loss prevention, and the definition and implementation of hedging strategies.

The Environmental, Social & Governance Department (ESG) monitors ENGIE's ESG compliance, particularly with regard to environmental and social matters. It proposes Group policies in this area, assesses the ESG maturity of the Group's various businesses, monitors the achievement of 2030 ESG targets and is in charge of sustainability reporting.

The Group Procurement Department defines the principles and rules of the Procurement Charter and Governance. Internal controls are defined to cover all procurement processes, from the selection of suppliers through to the payment of the final invoice.

The Corporate Secretariat helps to make the Group's operations and the decisions of its managers legally secure, particularly in the following areas: commitments, litigation, arbitration, studies and actions to protect the criminal liability of the Group and its managers, embargo, company law, stock market regulation, intellectual property law, competition and regulatory law and financial law.

Within the Corporate Secretariat, the Legal, Ethics and Compliance Department manages the Legal Division and legal framework of the Group's businesses. The Ethics, Compliance & Privacy Department, which reports to it, manages the Ethics Division and ensures compliance with ethical principles.

The Group's Human Resources Department sets the framework and all rules aimed at ensuring compliance with local legislation, compliance with human resources management practices in terms of the Group's social and societal commitments, employment, diversity and inclusion, respect for human rights, health & safety, and data confidentiality and integrity.

The Transformation & Geographies Department is responsible for supervising the Transformation Office, the Health & Safety Department, and the General Projects Department. It also manages the Group's geographical platform's regional hubs, as well as the Global Business Support (GBS) structure responsible for the Group's shared services centers.

Within the Transformation & Geographies Department, (i) the Transformation Office Department is responsible for supervising and managing the Group's transformation projects, (ii) the Group's Health & Safety Department is responsible for all activities at Group level relating to the health & safety of individuals and process safety in terms of the objectives set by the Group in these areas (No Life at Risk – No Mind at Risk – No Asset at Risk) and relating to crisis management, and (iii) the Projects Operational Department supervises and supports the Group's industrial projects.

The Group Digital and Information Technology Department (GDIT) defines the internal controls relating to the management of information systems and their security for both management systems and industrial control systems (ICS). Regular controls are carried out on systems (penetration testing), on site (ICS controls) and via internal and external risk indicators. Important subjects for internal control, such as the segregation of duties and the management of access rights, are taken into account during the design stage of new information systems and are regularly reviewed thereafter under the control of the owners of sensitive applications.

2.3.2.3.4 Third line of defense: the Internal Audit Department

Reporting to Executive Management, the Internal Audit Department operates throughout the Group in accordance with an annual audit plan based on a risk analysis and interviews with the functional and operational managers.

This plan may be expanded at the request of the Executive Committee according to the Group's priorities.

Submitted to the Audit Committee for approval, the plan is designed to cover all of the Group's major risks and challenges that it is able to address and enables the management of activities to be checked.

The Internal Audit presents its conclusions to the Audit Committee, the Group's Executive Committee and the managers of the GBU. It reports to the Audit Committee on its key observations and the progress of related action plans.

2.3.3 Internal control relating to financial information

2.3.3.1 Organization and stakeholders

The Reporting, Analysis and Performance Department (DRAP) is in charge of financial reporting, overseeing the preparation of ENGIE's parent company financial statements, producing the consolidated financial statements, and liaising with the Statutory Auditors and the AMF's accounting departments. It establishes the Group's accounting principles and oversees their implementation to ensure compliance with the accounting standards. It monitors changes in standards and their impact on the Group's financial statements, ensures the quality and consistency of the analysis carried out and the positions adopted. The department establishes the analyses and reports required by Executive Management for the economic and financial coordination of the Group. It draws up and maintains the Group's management control framework and oversees the rolling out of these toolkits to the various entities. It guides the Accounting and Management Control divisions in defining and implementing processes and tools. It coordinates the Group's performance program.

The Tax Department is responsible for defining and rolling out the Group's tax policy. It coordinates the validation of tax returns and transfer pricing documentation and ensures that tax data are reported uniformly reported. It is directly responsible for all tax activities. Generally speaking, it is closely supported by the Finance Departments of the GBU and the hubs, which are responsible for tax compliance and transparency.

The Financial Systems, Data & Processes Department defines strategy in terms of processes and information systems for the finance function. It determines and manages the policies, rules and standards for IT processes and solutions specific to the finance function. Applications and networks are rolled out evenly across the entities. The Financial Systems, Data & Processes Department oversees the implementation of the Group's IT security policy within the sector and monitors and plans IT spending and investments.

The consolidated reporting entities all use the SAP BFC software package for the consolidation of the Group's financial statements and the SAP BPC software package for the Group's management reporting. SAP BFC is jointly managed by the Consolidation Tool Center of Expertise (which handles administrative tasks and system configuration and provides operating assistance to users) and the Information Systems Department, which is in charge of specific underlying networks.

The Investor Relations Department is in charge of relations with institutional investors and analysts. With regard to management information, the DRAP is the sole source of information for the Investors Relations Department, including for other information from the legal reporting process and falling within the framework of regulated information, within the meaning of the AMF regulations. Lastly, the department oversees and coordinates the market communication process (financial information and major transactions) in collaboration with the Corporate Secretariat.

Through the functional lines, all of these corporate departments oversee the internal control of their respective fields via the Finance Departments of the GBU, regional hubs and countries. They are responsible for preparing the parent company financial statements of the legal entities and their transcription into IFRS, as well as the implementation of internal control procedures at all operating subsidiaries and decentralized management control (see Section 2.3.3.3 "Setting objectives and coordination"). Corporate consolidates these data transcribed into IFRS.

The Finance Department also uses the current "Missions and operating principles of financial communications" procedure, which sets out management principles for the Group's financial communication and defines the activities relating to institutional investor and analyst relations as well as market intelligence.

2.3.3.2 Consolidation process

The **DRAP** is in charge of producing the consolidated financial statements. It is supported by the management control teams of the GBU and the hubs. It updates the accounting standards manual and closing instructions shared before the consolidation phases.

Each of these entities carries out controls in its own area of responsibility to ensure that Group accounting standards and policies have been circulated and applied correctly. Corporate carries out second-tier controls on information prepared by the GBU and hubs, which do the same regarding data provided by the reporting entities.

The Chief Executive Officers and Chief Financial Officers of the GBU, as well as the Chief Financial Officers of the geographical hubs, attest to the quality and comprehensiveness of the financial information provided to the Group in a representation letter. Discussions with the Statutory Auditors enhance the quality of financial information, particularly in the case of complex situations that are open to interpretation.

2.3.3.3 Setting objectives and coordination

The Group's four GBU and business entities produce a Medium-Term Business Plan (MTP), a budget and updates to the budget during the course of each year. The **DRAP** prepares instructions for this purpose for each GBU, including details such as macroeconomic assumptions, financial and non-financial indicators, the timetable and the segmentation of the scope of activity. Each GBU is responsible for sending these instructions to the reporting entities within its scope after tailoring them to the specific characteristics of its business activity.

For each GBU, the Executive Committee approves the objectives set for the following year, the corresponding budget and the outlook beyond the current year derived from the budget process and the MTP. The testing process for the impairment of goodwill and long-term assets is based on this data. The Group's consolidated budget and MTP are presented at a joint meeting to the Audit Committee and the Investment and Technology Committee before being submitted to the Board of Directors.

2.3.4 Internal control oversight

Management plays a key role in coordinating the internal control system according to a cycle that is generally annual by ensuring, with respect to the principle of reasonable assurance, that it remains relevant to the challenges and risks within its scope of responsibility. As part of the Group's internal control program and its methodology guidelines, it ensures that the following five actions are carried out:

- an analysis of the general control environment;
- an assessment of the risks of process malfunctions;
- the creation or update of the controls deemed appropriate;
- a regular assessment of the efficiency of the systems in place and the potential implementation of corrective measures as part of a continuous improvement approach;
- communication and commitment at all levels.

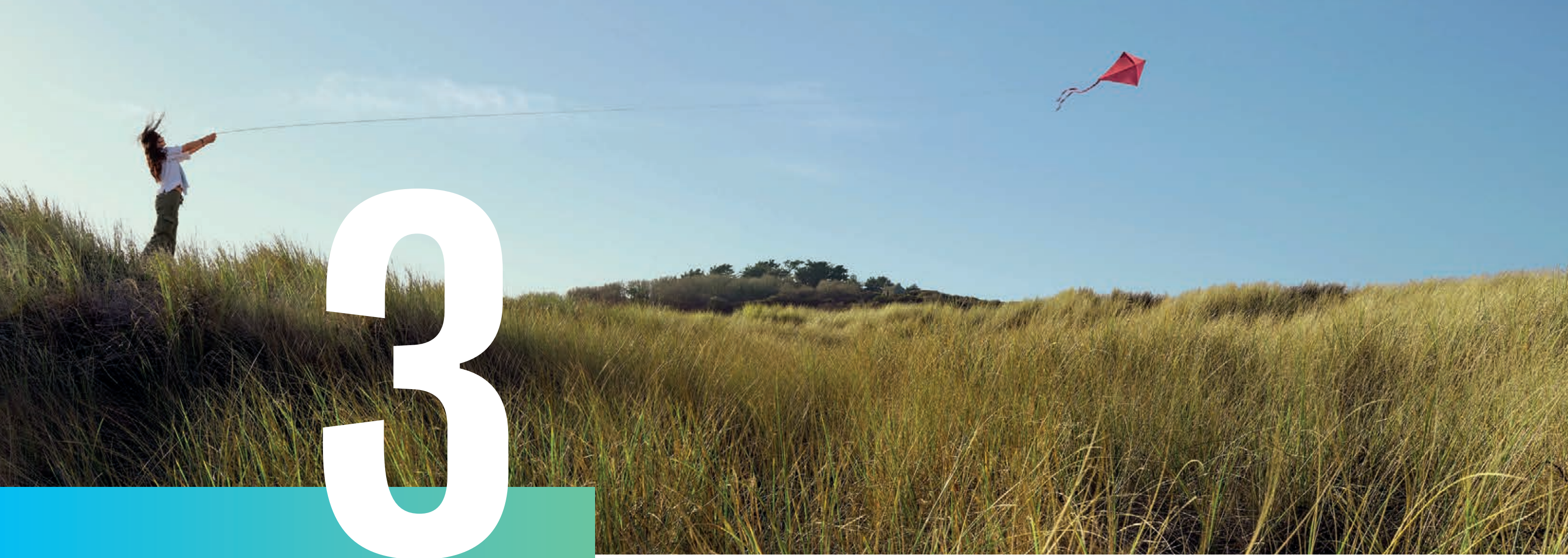
For all of these actions, the Group provides the entities with the necessary tools and each entity uses and adapts these tools according to their specific requirements.

More specifically, with regard to the assessment of the efficiency of the systems in place, in 2024, the Group continued to roll out automated controls using data available in transactional processes. The aim is to better control the risks of non-compliance and fraud, and guarantee the reliability of accounting information. New controls have been designed as part of the Global Enterprise Transformation (GET) project. The aim of this project is to deploy a single management system based on unified processes. In 2024, GET was deployed at two pilot sites in Peru and at ENGIE Solutions France.

These automated controls are used by the first line of defense. The Internal Control Department makes a list of automated controls, which are supervised by the second line of defense.

In terms of the concept of commitment, management's responsibility is made official by the drafting and signing of an annual letter of acknowledgment, where the manager sets out their point of view on the efficiency of the internal control system within their scope of responsibility and attaches the major action plans deemed suitable to address any weaknesses identified.

This commitment is applied along the management chain to provide Executive Management and the Audit Committee with reasonable assurance as to the deployment and efficiency of its internal control system.



3 SUSTAINABILITY STATEMENT AND VIGILANCE PLAN AFR

3.1 SUSTAINABILITY STATEMENT

This year marks an important milestone for ENGIE as it publishes its first Sustainability Statement in compliance with the requirements of the Corporate Sustainability Reporting Directive (CSRD). This document replaces the Non-Financial Statement (NFS). The information published in this statement does not reflect all of the ENGIE Group's sustainability actions, but only material items within the meaning of the CSRD. More detailed information on certain topics is also available on the Group's website: https://www.engie.com/en/group/social-responsibilty.

In anticipation of the forthcoming digital tagging, and to make the information easier to read and understand, ENGIE has chosen to indicate in square brackets the references to the information required by the standard.

In addition, to succinctly present the various topics of this Sustainability Statement, introductory double-page spreads have been produced to make the content more accessible beyond the requirements of the standard.

It is important to emphasize that this initial Sustainability Statement was prepared in a short period of time, considering (i) major changes to the presentation of information required by the CSRD, and (ii) the late publication of guidance documents such as those relating to the climate transition plan, for example. With the CSRD, ENGIE will continue its transformation and the development of increasingly sustainable practices to conduct its operations in the most responsible manner for the environment and society. This initial Sustainability Statement is therefore part of a necessary process of continuous improvement, and in the coming years, it will be necessary to clarify, supplement and improve the published information.

In keeping with the spirit of interoperability intended by the European sustainability reporting standards (ESRS) and the international standards (International Financial Reporting Standards – IFRS) of the International Sustainability Standards Board (ISSB), the information and metrics provided in the Sustainability Statement endeavor to align with IFRS requirements.

In conclusion, this initial Sustainability Statement paves the way for further discussion with the Group's stakeholders. With the CSRD, the Group's transformation to work towards a more sustainable and desirable world is moving forward in line with a set of standards that set the benchmark for ENGIE's ambition and objectives.

CLIMATE CHANGE

ESRS **E1**

2 MATERIAL MATTERS

9 IRO

Climate change mitigation and energy transition	**1 IMPACT** − **3 IMPACTS** + **2 RISKS** **3 OPPORTUNITIES**

ACTION PLAN

- **Phase out coal** by stopping coal sales since 2019 and ending coal-based energy production by 2025 in continental Europe and by 2027 globally.
- **Reduce and decarbonize gas consumption and sales, while producing renewable and low-carbon gases** (i) by decreasing gas sales and volumes consumed by the existing thermal fleet, (ii) decarbonizing remining gas-fired power plants and (iii) producing low-carbon gases (biomethane and hydrogen).
- **Decarbonize the production, sales and consumption of electricity and heat** by generating renewable, low-carbon or recovered electricity and heat, and selling renewable, low-carbon electricity.
- **Support the transition of existing gas networks and develop electricity transmission and distribution networks,** energy supply flexibility, low-carbon mobility networks and low-carbon technologies (such as desalination systems and heat pumps).
- **Help customers decarbonize their operations, in addition to the actions mentioned above,** by offering services focused on energy efficiency, energy savings and demand flexibility (demand management and decentralized battery storage).

Targets

(Excerpts)

- Group greenhouse gas emissions (Scopes 1, 2 and 3):

  2030 target: **120/140 Mt CO_2 eq.**

  2024 result: **157 Mt CO_2 eq.**

- Annual customer emissions avoided thanks to the Group's products and services:

  2030 target: **65/85 Mt CO_2 eq.**

  2024 result: **36 Mt CO_2 eq.**

- Greenhouse gas (GHG) emissions related to energy production (scope 1):

  2030 target: **26/36 Mt CO_2 eq.**

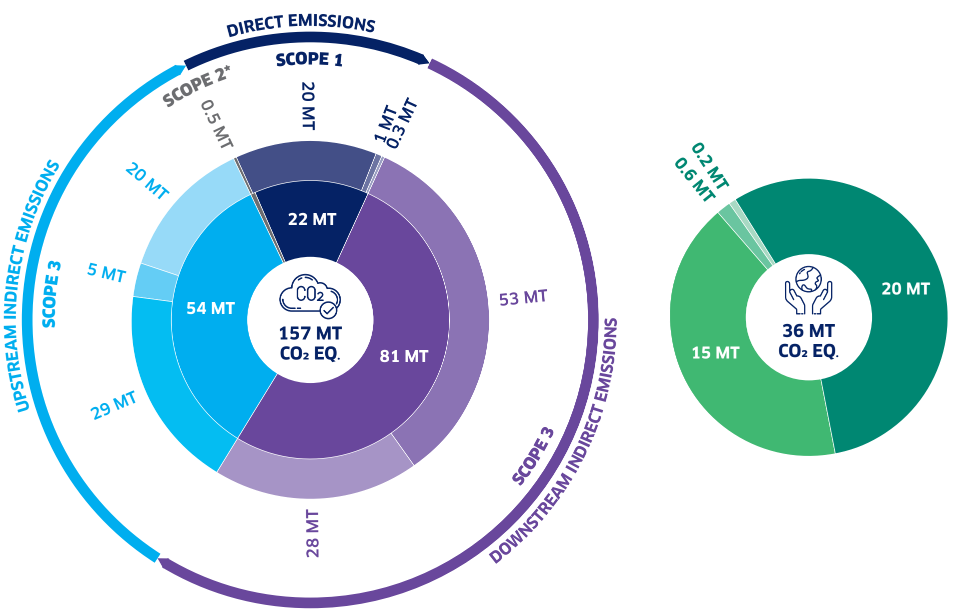
  2024 result: **48 Mt CO_2 eq.**

- Greenhouse gas emissions (GHG) related to commodity sales (scopes 1 and 3):

  2030 target: **63/83 Mt CO_2 eq.**

  2024 result: **82 Mt CO_2 eq.**

target range



Scope 3 upstream
29 Mt Production of energy purchased for resale to end customers
5 Mt Purchases and fixed assets
20 Mt Upstream fuel and electricity procurement chain

Scope 2
0.5 Mt Purchased electricity and heat

Scope 1
20 Mt Energy generation
1 Mt Gas networks
0.3 Mt Other activities (incl. vehicle fleets)

Scope 3 downstream
53 Mt Use of products sold (fuel sales)
28 Mt Investments (incl. in energy production by non-controlled entities)

Customer decarbonization
20 Mt Produced energy and renewable gas
15 Mt Resold energy and renewable gas
0.6 Mt Electricity storage
0.2 Mt Energy services

* *The Scope 2 emissions shown in the graph above are calculated using the location-based method. Using the market-based method, ENGIE's Scope 2 emissions amount to 0.8 Mt in 2024.*

CLIMATE CHANGE

Adaptation to the consequences of climate change	2 RISKS

ACTION PLAN

- **Ensure the Group's climate resilience at a strategic level** by integrating climate risk into the selection criteria for the Group's geographic and technological portfolio.
- **Ensure site resilience locally** by assessing climate risk for new projects and existing sites, and, if necessary, implementing adaptation plans.

Climate Policy

Targets
(Excerpts)

- Existing sites subject to a material climate risk that have an adaptation plan:

  2026 target: **100%**

- New projects with an Executive Committee and Board of Directors validation threshold incorporating a climate risk analysis prior to the investment decision:

  2026 target: **100%**

INDUSTRIAL POLLUTION

ESRS **E2**

1 MATERIAL MATTER

7 IRO

Industrial pollution	1 IMPACT + 3 IMPACTS - 3 RISKS

ACTION PLAN

- Right from the project design phase, identify pollution risks and implement an action plan leveraging the best available technologies to the fullest.

Anti-pollution Policy

Targets
(Excerpts)

- Reduction in nitrogen oxide (NOx) emissions related to energy production:

  2030 target: **-75% (i.e., 23,052 t) vs 2017**

  2024 result: **23,223 t**

- Reduction in particulate matter (PM) emissions related to energy production:

  2030 target: **-60% (i.e., 2,941 t) vs 2017**

  2024 result: **2,636 t**

WATER

ESRS **E3**

1 MATERIAL MATTER

5 IRO

Preserving water resources	2 IMPACTS − 2 RISKS 1 OPPORTUNITY

ACTION PLAN

- Reduce pressure on freshwater resources at sites in high and extreme water stress areas by identifying such areas and implementing action plans to optimize water use and sharing, following the Avoid, Reduce, Compensate sequence, in consultation with stakeholders.

Water and Oceans Policy

Targets
(Excerpts)

- Reduced freshwater consumption rate related to energy production:

  2030 target: **0.100m³/MWh**

  2024 result: **0.239m³/MWh**

- Reduced freshwater withdrawals related to energy production:

  2030 target: **3.6m³/MWh**

  2024 result: **9.44m³/MWh**

BIODIVERSITY AND ECOSYSTEMS

ESRS **E4**

1 MATERIAL MATTER

6 IRO

Biodiversity and ecosystems	1 IMPACT + 3 IMPACTS − 2 RISKS

ACTION PLAN

- Analysis of impacts, dependencies, risks and opportunities for industrial activities strengthened in 2024 using the Locate, Evaluate, Assess, Prepare (LEAP) method, measuring the biodiversity footprint.
- Analysis and review by the Group's decision-making bodies of biodiversity issues in the project development process, including adherence to the Avoid, Reduce, Compensate sequence.

Biodiversity Policy

Targets
(Excerpts)

- Priority industrial sites for biodiversity, with an action plan defined in consultation with stakeholders:

  2028 target: **100%**

  2024 result: **84%**

- Group projects featuring an analysis of biodiversity issues:

  2025 target: **100%**

  2024 result: **91%**

ESRS **E5**

RESOURCE USE AND CIRCULAR ECONOMY

1 MATERIAL MATTER

6 IRO

Resources and circular economy	1 IMPACT + 1 IMPACT - 2 RISKS 2 OPPORTUNITIES

ACTION PLAN

- Develop biomethane in Europe to use local resources.
- Assessment in 2024 of the criticality of materials for four technology examples (wind, solar, batteries, electrolyzers) using the "Materials Risk Passport".
- Recycling of Elium® resin and Ultrablade® fabrics from wind turbine blades and production waste through the ZEBRA project in 2024.

Circular Economy and Resources Policy

Targets
(Excerpts)

- Annual biomethane production in Europe:

  2030 target: **10 TWh**

  2024 result: **1.2 TWh**

- Annual biomethane injection capacity in France:

  2030 target: **50 TWh**

  2024 result: **13 TWh**

OWN WORKFORCE

ESRS **S1**

4 MATERIAL MATTERS

15 I R O

Working conditions and social dialogue	1 IMPACT − 1 IMPACT + 2 RISKS

ACTION PLAN
- Monitor implementation of the Global Framework Agreement on Fundamental Rights and ENGIE's Social Responsibility.

Equity and diversity	1 IMPACT − 1 IMPACT + 1 RISK

ACTION PLAN
- Conduct training and awareness-raising initiatives on diversity and equity.
- Identify and eliminate any pay discrepancies between men and women.

Talent and skills	1 IMPACT − 2 IMPACTS + 1 RISK

ACTION PLAN
- Identify current and future skills in line with Group strategy and implement training initiatives and actions to encourage job mobility.
- Identify and develop the skills of future leaders via People and Position Reviews.

Health & safety at work	2 IMPACTS − 2 RISKS

ACTION PLAN
- Continue the roll-out of ENGIE One Safety Culture coaching training for managers.
- Launch communication campaigns on the Last Minute Risk Assessment and the implementation of "Stop the Work".

- **Human Rights Vigilance Policy**
- **Training and Development Policy**
- **Diversity and Inclusion**
- **Health & Safety Policy**

Targets
(Excerpts)

- Implement the four pillars of the ENGIE Care program*:

  2024 target: **100%**

  2024 result: **100%**

- Gender pay equity at Group level:

  2030 target: **≤ 2%**
  2024 result: **1.85%**

- Annual employee training:

  2030 target: **100%**

  2024 result: **94.6%**

- Sustainable elimination of fatal accidents for employees and temporary workers

  Permanent target: **0 fatal accidents**
  2024 result: **1**

* *ENGIE's Global Framework Agreement on Fundamental Rights and Social Responsibility includes the roll-out of ENGIE Care, ENGIE's worldwide social protection program. This program comprises four pillars: life insurance, hospitalization coverage, disability insurance and parental leave.*

WORKERS IN THE VALUE CHAIN

ESRS **S2**

2 MATERIAL MATTERS

6 IRO

Health & safety	1 IMPACT - 1 RISK 1 OPPORTUNITY

ACTION PLAN

- Eradicate serious and fatal accidents by implementing specific health & safety management processes for subcontractors and enforcing safety standards and rules identical to those applied to employees.

Workers in the value chain	1 IMPACT - 1 IMPACT + 1 RISK

ACTION PLAN

- Perform ethics audits of production sites in high-risk sectors such as solar panels and wind turbines.
- Implement a mandatory training plan on ethical supplier relations and due diligence in the purchasing process.
- Conduct strict ESG due diligence on energy suppliers.

- **Human Rights Vigilance Policy**
- **Health & Safety Policy**
- **Procurement Charter**
- **Supplier Code of Conduct**
- **Due Diligence Policy**

Target
(Excerpt)

- Sustainable elimination of fatal accidents for (sub)contractors

Permanent target: **0 fatal accidents**
2024 result: **2**

AFFECTED COMMUNITIES

ESRS **S3**

1 MATERIAL MATTER

6 IRO

Affected communities	3 IMPACTS - 1 IMPACT + 2 RISKS

ACTION PLAN

- Implement the Group's Vigilance Plan: ensure negative impacts on communities are identified, prevented and managed and make sure that any human rights incidents are addressed appropriately.
- Regularly assess the potential impacts of the Group's activities on communities and ensure their expectations are taken into account through dialogue and consultation.

- Human Rights Vigilance Policy
- Ethics Code of Conduct
- Just Transition Policy

Target
(Excerpt)

- Industrial activities with a societal plan for consultation and dialogue with communities

2030 target: **100%**

2024 result: **53%**

CONSUMERS AND END-USERS

ESRS **S4**

1 MATERIAL MATTER

5 IRO

Consumers and end-users	1 IMPACT - 2 IMPACTS + 1 RISK 1 OPPORTUNITY

ACTION PLAN

- Contribute to an efficient just transition by continuing to develop green gas and electricity offers.
- Continue to develop energy management services.
- Pursue the application of the Group's customer personal data protection policy.

- Human Rights Vigilance Policy
- Just Transition Policy
- Stakeholder Engagement Policy
- Personal Data Protection Policy

Target
(Excerpt)

- Percentage of green electricity contracts in total electricity contracts (average in Europe)*

2030 target: **90%/95%**

2024 result: **89.5%%**

target range

* *Target set based on the definition of green electricity contracts within the scope of current European regulations*

BUSINESS CONDUCT

ESRS **G1**

3 MATERIAL MATTERS

10 I R O

Ethics and business conduct	1 IMPACT − 1 RISK

ACTION PLAN
- Continue implementing the ethics and compliance framework.

Sustainable procurement	1 IMPACT − 2 IMPACTS + 1 RISK

ACTION PLAN
- Sustainable energy procurement
  - Implement due diligence and operational ESG guidance for complex or high-risk energy supply chains.
- Sustainable procurement (excluding energy)
  - Continue to roll out the inclusive procurement policy in France.

Cybersecurity, security and industrial safety	2 IMPACTS − 1 IMPACT + 1 RISK

ACTION PLAN
- Cybersecurity
  - Implement a multi-year program to secure industrial sites.
- Industrial safety
  - Implement safety management systems based on continuous improvement in subsidiaries and entities that operate industrial assets.
- Nuclear safety
  - Implement a solid nuclear safety policy covering all stages of power plant operations and dismantling.
- Security
  - Implement preventive and protective measures based on the criticality of the geographic location and/or area of activity.

- Ethics and Compliance
- Purchasing Charter
- Group Cybersecurity Policy

Targets
(Excerpts)

- Train individuals most exposed to the risk of corruption

  2030 target: **>95%**

  2024 result: **83.9%**

- **Sustainable procurement (excluding energy)**
  Percentage of top 250 preferred suppliers aligned with or certified SBTi

  2030 target: **100%**

  2024 result: **44%**

- **Cybersecurity**
  Monitor the Bitsight score to track the level of exposure to cyber risk and any potential incidents

  2030 target: **score of 780**

  2024 result: **score of 780**

3.1.1 General information [ESRS 2]

3.1.1.1 Methodological note

3.1.1.1.1 General basis for preparation of the Sustainability Statement [BP-1]

Basis for preparation [BP-1 5a, b]

This Sustainability Statement has been prepared in accordance with the Directive of December 14, 2022 amending Regulation no. 537/2014, Directive no. 2004/109/EC, Directive no. 2006 43/EC and the Corporate Sustainability Reporting Directive (CSRD) no. 2013/34/EU. These directives were transposed in France by transposition order no. 2023-1142 of December 6, 2023, and supplemented by Delegated Regulation no. 2023/2772 of July 31, 2023. The latter establishes the European Sustainability Reporting Standards (ESRS) drawn up by the European Financial Reporting Advisory Group (EFRAG). This Sustainability Statement has also been prepared in accordance with the European Taxonomy set out in Article 8 of Regulation 2020/852.

This Sustainability Statement is based on a double materiality assessment (described in more detail below), which identifies the Environmental, Social or Governance (ESG) matters on which ENGIE has a material (positive or negative) impact and those that have a major effect on the Group's financial performance (risks or opportunities).

This information has been prepared on first-time application of the new requirements, amid uncertainty regarding the interpretation of the regulatory texts, the use of estimates, the lack of established practices and frameworks, and an evolving internal control system.

A few points are worth highlighting in this regard:

- the double materiality assessment has been carried out in accordance with the provisions of the standards. Updates for future years will be based on the observations of the Statutory Auditors and best practices that will gradually emerge;
- certain quantitative information relies on the judgment and estimates of the ENGIE Group's management and may involve uncertainties, particularly in the case of long-term forecasts, as explained in Section 3.1.1.1.2. These uncertainties, judgments and estimates are set out for the main metrics concerned in the Sustainability Statement;
- in addition, a limited number of other disclosure requirements could not be met in the document published for this first year, as the data are not available at Group level. The quantitative metrics concerned are listed in Section 3.1.5.2 of the Appendices. The Group is taking steps to ensure that it is in a position to disclose them within a reasonable timeframe;
- the complexity of European regulations on sustainability reporting (including the Taxonomy) and the absence of established case law on the interpretation of the texts have led the Group to clarify its reporting principles, particularly with regard to the definition of operational control;
- lastly, the internal control process is currently being adapted to the new requirements of the standards. This year's initial work will be carried over into future years.

Scope of consolidation

In accordance with ESRS standards, the Sustainability Statement applies the same scope as the financial statements. This means that the ESG reporting scope for own operations is consistent with the scope of consolidation of the financial statements covering both the parent company and its (fully consolidated) subsidiaries. Joint operations will also be considered as ENGIE's own operations, up to the amount of their share in the capital.

Associates (i.e., those over which ENGIE exercises significant influence) and joint ventures (i.e., those over which ENGIE exercises joint control) are accounted for using the equity method and are included in the upstream or downstream segments of the value chain (VC) in proportion to their percentage holding. Financial assets (loans, equity and debt investments) are considered as "business relationships" and if they are material, may give rise to value chain information.

The basis for the preparation and calculation of the metrics follows the above principles, with the exception of certain specific metrics which require a broader scope of application. For these metrics, the methodology applied is specified in the sections dealing with the relevant ESRS.

[BP-1 5c] For this first publication, the value chain includes suppliers and direct customers (rank 1), except for the double materiality assessment and any exceptions specified in the relevant section.

3.1.1.1.2 Disclosures in relation to specific circumstances [BP-2]

Time horizons [BP-2 9a, b]

In preparing the Sustainability Statement, the Group applies time horizons that are consistent with those used for financial reporting, and in particular for the budget and Medium-Term Business Plan (MTP) approved by the Group's Executive Committee and Board of Directors:

- one year, for the short-term (budget);
- within two years, for the medium term, (MTP);
- beyond three years, for the long term.

For greenhouse gas (GHG) emission forecasts, the Group implements a medium-term CO_2 plan extending to 2030, a key milestone in the Group's climate targets and beyond the financial MTP horizon.

Use of estimates and judgments [BP-2 11]

The preparation of certain information requires the use of estimates and assumptions, particularly when determining certain monetary amounts or quantitative metrics. The sources of these estimates and their levels of uncertainty are provided in the relevant sections, for the assumptions used as well as the historical and forecast data. The material estimates made by the Group, inherent to certain calculation methodologies, mainly concern greenhouse gas emissions, in particular Scope 3 emissions related to purchases, customer emissions avoided by the Group's offerings and products, and atmospheric pollutant emissions (NO_x, SO_x and fine particles).

Use of the transitional provisions of the ESRS by ENGIE [ESRS 1 10.4 – Appendix C]

For the first year of publication, the Group chose to adopt the following measures provided for in the transitional provisions of the ESRS 1 standard:

- **Entity-specific disclosures [ESRS 1 10.1]:** the Group publishes specific disclosures provided in prior publications;
- **Value chain [BP-1 5 c]:** the Group will publish all its quantitative and qualitative plans by the date required under the standard. Currently, this Sustainability Statement relies where necessary on estimates for disclosures on the Group's upstream or downstream value chain, as indicated previously. These estimates are detailed in the relevant sections, with their definition, calculation method, precision level and, where appropriate, the means envisaged to improve them;
- **Comparative information [ESRS-1 10.3]:** The Group does not present comparative information;
- **Other transitional provisions applied to specific topics:** the Group has opted to systematically apply the disclosure provisions of ESRS 1 in accordance with Appendix C, with the exception of information relating to ESRS S1 "Own workforce", which will be published this first financial year:
  - information on employees covered by social protection (S1-11);
  - the average number of training hours per employee and by gender (S1-13);
  - number of cases of recordable work-related ill health for employees (S1-14);
  - number of days lost to work-related injuries or fatalities from work-related accidents (S1-14).

Changes in the presentation of information [BP-2 13]

The Sustainability Statement provides metrics for the reporting period and the base years, if required. As part of the first application of ESRS standards, the Group has incorporated certain changes in the presentation of information published in the previous non-financial statement. This information is indicated in the relevant section, where applicable.

Incorporation by reference [BP-2 16]

This Section incorporates certain information by reference which is presented in a cross-reference table. This table cross-references the information mentioned in the respective sections of this Section with the corresponding sections of another Section (see Section 3.1.5 "Appendices").

Additional general information is provided in the thematic sections [Appendix C]

To enhance the clarity of sustainability information, additional general information on governance (GOV), strategy (SBM) and impact, risk and opportunity (IRO) management is provided in other subsections of this Section. This information is given in each of the sections concerned.

As required by the CSRD, the Statutory Auditors have provided limited assurance on the completeness of the Sustainability Statement. In addition, a selection of environmental and social data is subject to reasonable assurance verification by the Statutory Auditors. They can be identified by the □□ pictogram in the Sustainability Statement. The definition of these metrics is available on request from the Group.

3.1.1.2 Strategy – Business Model – Value Chain [SBM-1]

3.1.1.2.1 Business model

[SBM-1 38, 39 a, 40 ai, aii, aiii, b, e, f, 42]

A BUSINESS MODEL THAT SUPPORTS THE ENERGY TRANSITION

Resources

Financial capital
CHAP 6
- Equity
- Net financial debt

Industrial capital
CHAP 6
- Growth CAPEX
- Maintenance CAPEX
- Electricity and biogas production plants
- Gas distribution and transport networks
- Electricity transmission networks
- DHC networks

Intellectual capital
CHAP 1
- Laboratories and research programs
- Startup investment funds

Human and social capital
CHAP 3 ESRS-S1 to S2
- Employees and subcontractors
- Skills and talent

Natural capital
CHAP 3 ESRS-E2 to E5
- Gas
- Water
- Biomass

Ways of working
- Focus on business
- Prioritize
- Commit to deliver
- Collaborate
- Engage

Target

Be the best utility in the energy transition by 2030

A major challenge

Supply customers who request it with 24/7 carbon-free electricity

2030 ambitions

95 GW of renewable production and storage capacity in 2030

20 TWh of local green energy production in 2030

10 TWh of biomethane production in 2030

4 GW of hydrogen production in 2035

50 TWh of biomethane capacity connected to French networks in 2030

10,000 km of electricity transmission networks in 2030

300 TWh of electricity sales in 2030 (B2B and B2C)

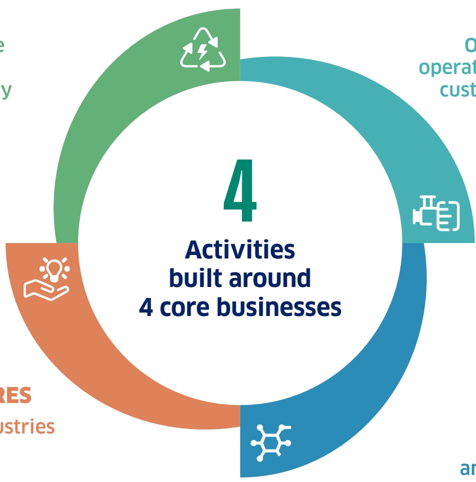
An integrated model*

RENEWABLES & FLEX POWER

Increase renewable energy capacity and improve energy system flexibility

SUPPLY & ENERGY MANAGEMENT

Optimize Group asset operations and provide all customers with reliable, sustainable energy



LOCAL ENERGY INFRASTRUCTURES

Decarbonizing industries and cities

NETWORKS

Accelerate the development of electricity networks and continue to adapt gas networks to green molecules

Based on 4 complementary activities

Production	Flexibility	Centralized and local networks	Supplies

* *Organization in place since February 1, 2025*

Our purpose

“Act to accelerate the transition to a carbon-neutral economy, through low-energy solutions that are more respectful of the environment. This purpose brings together the company, its employees, customers and shareholders and reconciles economic performance and positive impact on people and the planet. ENGIE's action is assessed in its entirety and over time.”

Value creation

People CHAP 3 ESRS-S1

	2030 objectives
• Women in management	**40%-60%**
• Gender pay gap	**<2%**
• Lost time work-related injury rate for employees, temporary workers and subcontractors	**≤1.5**

Planet CHAP 2 ESRS-E1

Decarbonizing operations	**2030 objectives**
• GHG emissions for energy production (Scopes 1 and 3)	**26-36 Mt CO_2 eq.**
• Renewable energy production capacity	**58%**
Decarbonizing customers	
• Emissions avoided by customers thanks to ENGIE’s products and services	**65-85 Mt CO_2 eq.**
Decarbonizing suppliers	
• Top 250 suppliers (excluding energy) certified by or aligned with the SBT	**100%**

Profit CHAP 6

	2025-2027 objectives
• EBIT	**€8-10bn**
• Net recurring income, Group share	**€4.2-5bn**

Contribution

3.1.1.2.2 Value chain [SBM-1 38, 39, 40ai, aii, aiii, b, e, f, 42]

Sourcing

SCOPE 2 & SCOPE 3 (UPSTREAM)

ESG issues related to sourcing

- Biodiversity and ecosystems
- Natural resources
- Circular economy
- Human rights
- Sustainable procurement
- Business ethics
- Health & safety

Purchasing of products and services

- Energy solutions
- Wind and solar
- Equipment and services
- IT, digital and customer management
- Overheads

Energy purchasing

- Own use
- Sales

Operations

SCOPE 1

ESG issues related to operations

- Climate change (GHG reduction and adaptation)
- Water
- Pollution
- Biodiversity and ecosystems
- Human rights and stakeholders
- Health & safety
- Skills and talent
- Working conditions and social dialogue
- Business ethics
- Stakeholders
- Just transition
- Industrial safety
- Cybersecurity, security

Production

Operated assets

Centralized

- Electricity: renewable, nuclear
- Renewable gas

Decentralized

- Electricity: solar panels, wind power
- On-site heating and cooling
- Renewable gas

Water

Desalination

Networks

Owned and operated assets or assets operated under concession agreements

LNG terminals

LNG storage and vaporization

Transport/transmission networks

Gas, electricity, new gases (H_2, CO_2)

Distribution networks

Gas, electricity, heating and cooling networks

Charging stations

Electricity

Supplies

Agreements for...

Sales

- Electricity
- Gas
- Heating and cooling
- Energy certificates

Risk management

Gas, electricity

Energy performance solutions

Consumption management, low-carbon transition, maintenance

Flexibility

Peak power plants - Gas

Pumped storage - Hydropower

Batteries - Electricity

Underground storage - Gas and H_2

Batteries - Electricity

Managing on-site demand - Demand side on-site

Batteries - Electricity

Customers

SCOPE 3 (DOWNSTREAM)

Customer ESG issues

- GHG emission reduction
- Business ethics
- Human rights, consumers and end-users
- Just transition
- Personal data protection

BtoB - *Business*

- Giants*
- Industrial groups
- SMEs/SMIs
- Other energy companies: suppliers, network shippers, etc.

BtoT - *Territories*

- Local authorities
- Cities
- Other: universities, hospitals, etc.

BtoC - *Customers*

- Individuals
- Small business owners

* *The Giants segment includes large, complex energy consumers that require special attention to manage energy risks.*

Information on the Group's strategy is given in Section 1.2. The diagrams shown above describe the Group's value chain and business model respectively, taking into account the organizational changes on February 1, 2025, as described in Section 1.1.3.

The following information takes account of the organization in force in 2024, comprising four Global Business Units (GBU) and two operating entities.

The Renewables GBU develops, constructs, finances, operates and maintains renewable electricity production assets. It focuses mainly on five technologies: hydroelectricity, solar power, onshore wind power, offshore wind power, and battery storage collocated with a renewable asset. It operates in four geographic areas: Europe, North America, South America and the AMEA region (Asia, the Middle East and Africa).

The majority of the future Renewables GBU investments will be focused on the five historical priority markets of the GBU, namely the United States, France, Brazil, Chile and offshore wind, with a growing ambition in the AMEA region, particularly in India.

The Renewables GBU's supply chain is made up of suppliers and installers of renewable energy production equipment.

The GBU's main customers are local authorities, industries, businesses and residential customers who own the land on which the installations are located.

The Networks GBU is responsible for developing, operating and maintaining gas networks (distribution and transport networks, storage and LNG terminals) and electricity networks, as well as the production of biomethane, in France and abroad.

The four LNG terminals are located in France and Chile. Storage sites are located in France, Germany, Romania and the United Kingdom. Transport is provided in France, Brazil and Mexico. Distribution to residential customers is provided in Europe and Mexico.

The Networks GBU's strategy is to carry out the necessary actions and projects to ensure security of gas supply in France; maximize the value of networks; rebalance the portfolio towards international and electricity activities; promote biomethane, and more generally low-carbon gas production in France and in a certain number of target countries abroad; and convert assets to hydrogen.

The Networks GBU sources its supplies from major industrial companies that manufacture and install pipes, gas compression, treatment and metering stations, biogas production and injection installations, and electricity pylons and networks.

The Networks GBU's customers are the shippers who transport their gas or electricity, and the end-consumers who connect to the distribution or transport networks.

The Energy Solutions GBU supports cities, local authorities, industrial and service sector customers in their decarbonization pathway. The solutions that it proposes are divided into three categories: local energy networks, on-site energy production, and energy management and performance services. Local energy networks allow for the production and delivery of final energy (heating, steam, cooling, electricity) to a large number of users by optimizing the use of green energies available in the area (biomass, geothermal, thermal solar, etc.), while developing highly energy-efficient technologies.

On-site energy production depends on networks that allow for the site-wide production (industrial or service sites) via low-carbon utilities of the final energy required for its operation (heating, cooling, electricity, steam, compressed air, etc.). The GBU develops, modernizes and operates these networks.

It offers its local authority, industrial, service sector and community housing customers contracts involving commitments to reduce the energy consumption of their buildings and the associated CO_2 emissions. The GBU also provides: a decarbonization advice service, a range of operational services with the operation and maintenance of installations producing and distributing heat and cold in buildings.

The GBU operates in four geographic areas: France, Europe, Asia & the Middle East, the Americas.

The GBU's strategy is to support its service sector and industrial customers in decarbonizing their operations and managing their consumption.

The GBU sources its supplies from industrial groups that manufacture or install energy network equipment or provide digital services.

Its main customers are local authorities, industrial companies, the service sector and collective housing.

The FlexGen & Retail GBU brings together thermal generation (mainly electricity production from gas), energy pumped storage and battery storage, seawater desalination, low-carbon hydrogen production and BtoC energy supply (sales of electricity and gas, energy services, energy access).

The FlexGen & Retail GBU operates in Europe, North America, South America, Africa, the Middle East and Asia. Its Retail or BtoC activity is concentrated in six countries: France, Belgium, Italy, Romania, the Netherlands and Australia.

The GBU's strategy aims to make energy production more reliable in a low-carbon world, thanks to upstream flexibility tools (flexible thermal production and electricity storage) and downstream flexibility tools (load shedding or shifting consumption for BtoC customers).

The GBU's suppliers are energy suppliers for the production and sale of energy to residential customers, and thermal equipment suppliers for the construction and maintenance of its installations.

The GBU's customers are purchasers of the energy produced and end-consumers of energy.

The Nuclear operating entity is dedicated to the operational management of the seven nuclear reactors in Belgium and the rights held by EDF's two power plants in France. The initial legal framework provided for the gradual withdrawal from the operation of nuclear power plants in Belgium between 2022 and 2025. Following a decision dated March 18, 2022, the Belgian government decided to take the necessary measures to extend the operating life of two reactors, Doel 4 and Tihange 3, by 10 years, until 2035. The other five have either already been shut down (Doel 3 in 2022 and Tihange 2 in 2023) or will be in 2025 (Doel 1 and 2, Tihange 1).

This activity sources its uranium mainly from a major player in the sector, and from industrial groups specializing in nuclear equipment.

This activity supplies electricity to Electrabel customers and on the wholesale electricity market.

Other activities, of which GEMS:

Global Energy Management & Sales (GEMS) has two main missions:

- managing the Group's assets;
- sales and risk management.

GEMS operates worldwide.

GEMS obtains its energy supplies from energy trading platforms and a number of historical gas suppliers, notably in Norway, Algeria, the Middle East and the United States.

Its main customers are:

- other Group entities;
- energy consumers (industries and businesses);
- distributors and resellers in the energy sector; and
- trading companies and investment funds.

Revenues *(in millions of euros)*	France	Rest of Europe	Latin America	North America	Asia, Middle East and Africa	Other	Total 2024
Renewables	2,513	184	2,294	255	219	1	5,467
Networks	5,719	744	768	-	-	-	7,231
Energy Solutions	5,449	3,063	34	650	444	214	9,853
FlexGen	394	1,750	1,741	70	982		4,937
Retail	8,271	4,902	-	-	747	150	14,070
Nuclear	-	68	-	-	-	-	68
GEMS	-	-	-	-	-	31,377	31,377
Other activities	-	-	4	-	-	806	810

NB: The amounts shown in the table are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

[SBM-1 40 d] Revenues from coal and natural gas activities (excluding energy trading and financial activities) amounted to €0.6 billion and €16.6 billion respectively in 2024. The portion of revenues from products or services using fossil gaseous fuels and associated with Taxonomy-aligned economic activities totals €100 million.

Workforce	France	Rest of Europe	Latin America	North America	Asia, Middle East and Africa	2024
Renewables	2,968	558	1,266	343	315	5,450
Networks	17,065	3,207	1,798	4		22,074
Energy Solutions	14,399	11,008	502	1,892	7,553	35,354
FlexGen & Retail	6,900	4,323	769	103	2,958	15,053
Nuclear		2,096				2,096
GEMS	1,563	1,505	26	476	195	3,765
Other activities	3,615	6,289	2,011	474	1,787	14,176

3.1.1.2.3 Stakeholder involvement [SBM-2]

[SBM-2 43] ENGIE has made stakeholder dialogue a key element of its business conduct. This dialogue drives the Group's policy of engagement with its stakeholders, and is based on a structured approach that has been tried and tested in the field and benefits from feedback from past experience.

[SBM-2 45a] The Group has identified eight categories of stakeholders and adapts its dialogue to their specific requirements.

Stakeholders	Means of cooperation and organization of dialogue	Purposes of the discussions
[SBM-2 45a i]	**[SBM-2 45a ii, iii]**	**[SBM-2 45a iv, v]**
1) CUSTOMERS		
Residential, professional, business and local authority customers	• Marketing studies, consumer panel • Responses to customer consultations • Satisfaction surveys • Mediation space (ENGIE and energy mediators)	• Understanding customer needs • Co-constructing offerings • Satisfying customers (satisfaction index (NPS)) • Resolving as many complaints as possible
2) SUPPLIERS		
Key, strategic, preferred, major and other suppliers	• Consultations via calls for tender • Discussions on ESG performance via ECOVADIS ratings and the audit of certain suppliers • Business review by supplier • Procurement Forum (Supplier Days)	• Choosing the best suppliers using multi-criteria approaches • Selecting and encourage the most sustainable suppliers • Preventing risks (shortages, monopolies, economic fragility, forced labor, etc.) • Establishing a Vigilance Plan
3) EMPLOYEES		
Group employees and their representatives: Employee representative bodies at a local, national or European level	• The European Works Council (EWC), the French Group Works Council, and Local Representative Bodies • World Forum • ENGIE & ME engagement survey • Internal innovation competition (One ENGIE Awards) • Meetings with management on specific topics (managerial safety visits, business conferences, etc.)	• Conducting quality social dialogue • Signing national, European and global collective bargaining agreements • Monitoring the proper implementation of agreements • Strengthening employee engagement • Reinforcing employee shareholding with the Link employee share ownership plan
4) REGIONS		
Regions: Local, national, European and international authorities, regulators and bodies	• Responses to consultations • Participation in working groups and think tanks	• Sharing the Group's beliefs • Responsible and transparent lobbying • Launching partnerships with regional authorities
5) INDUSTRIAL PARTNERS		
Industrial partners: Major groups, SMEs, start-ups	• Calls for projects • Support for innovative players via the ENGIE New Ventures investment fund	• Developing projects with innovative and responsible partners • Implementing projects on time and on budget, and providing feedback

Stakeholders	Means of cooperation and organization of dialogue	Purposes of the discussions
[SBM-2 45a i]	**[SBM-2 45a ii, iii]**	**[SBM-2 45a iv, v]**
6) FINANCIAL PARTNERS		
Banks, insurance companies, investors, financial analysts and rating agencies	• Organization of roadshows or investor meetings (Capital Market Day, Investor Days) • Responses to rating agency evaluation questionnaires	• Financing and investing in projects with robust, responsible partners • Meeting the financial and non-financial performance requirements expected by the market
7) SHAREHOLDERS		
Institutional and individual shareholders	• Institutional shareholder meetings (governance roadshows) • Individual shareholder meetings (site visits, business line meetings, etc.) • Annual Shareholders' Meeting • Individual shareholders' club (site visits, business line meetings)	• Building shareholder loyalty and meeting their profitability and performance requirements • Sharing the Group's purpose, its strategy, execution and results • Presenting and discussing Shareholders' Meeting resolutions
8) CIVIL SOCIETY		
NGOs, associations, local residents, communities, indigenous peoples, professional organizations, the academic community	• General public information meetings • Consultations and meetings, particularly with indigenous peoples • Stakeholders' Committee • Dialogue and transition forum • Scientific committee	• Long-term anchoring of ENGIE projects and activities (license to operate) • Responding to the warnings and fears of civil society (controversies) • Respecting the rights and customs of affected communities and indigenous peoples potentially impacted by the Group's activities • Developing partnerships with the academic world (chairs, theses, etc.) • Involving the Group in international initiatives in line with its purpose

ENGIE's engagement with its stakeholders at the operational level is based on several tools:

- a Group objective, i.e., that 100% of its activities, including projects and sites being shut down, will be covered by a societal plan by 2030, alongside the relevant stakeholders;
- an annual self-assessment, by the operating entities, of their level of engagement with stakeholders, using a Group reference framework based on the AA1000 Stakeholder Engagement Standard – a standardized approach to stakeholder management within the Group;
- a toolbox made available to entities, which structures the stakeholder engagement process in six stages: context analysis, mapping of stakeholders, identification of their issues, development of an action plan, monitoring and evaluation of its impact;
- an in-house training program run by ENGIE University, aimed primarily at project managers and business developers.

[SBM-2 45b] At the end of 2023, the double materiality assessment helped to gather the main stakeholders' interests and views on the environmental, social and governance matters related to the Group's activities. These consultations led to an agreement on the prioritization of environmental and social matters, with the prioritization resulting from the work on quantifying social and environmental impacts.

[SBM-2 45d] Meetings between the various levels of the Group's organization (local, regional, national, Group) and its stakeholders provide ongoing information for management and governance bodies. The main controversies are regularly reported to the Executive Committee and at each meeting of the Ethics, Environment and Sustainable Development Committee (EESDC), prior to Board of Directors meetings. The Stakeholder Committee, which each year brings together several members of civil society to discuss the Group's strategic choices and projects, was discussed on December 19, 2024 with a view to its meeting on January 27, 2025 in the presence of the Chairman of the Board of Directors and the Chief Executive Officer. The discussion provided an opportunity to share the results of the double materiality assessment and collect feedback from participants which will be taken into account during the next double materiality exercise.

ENGIE takes into account the views of the stakeholders affected as much as possible when executing its projects, taking care not to jeopardize their economic stability. For example, when extending wind farms that have reached the end of their service life, the renewal or repowering of turbines avoids any increase in land use, which is a sensitive parameter in these areas. When considering how to strengthen the Group's climate strategy, the request by certain investors for strict adherence to a 1.5°C pathway was studied in depth, but was not agreed on by the Group. The Group publicly explained the reasons for this in its 2024 climate booklet (https://www.engie.com/sites/default/files/assets/documents/2024-05/Engie%20RI_Version%20EN_2105.pdf), listed in Section 3.1.2.1 "Climate change".

3.1.1.2.4 Sustainability objectives and their assessment in relation to the business model and stakeholders [SBM-1 40e, f]

The table below describes the Group's ESG 2030 targets and details the activities, geographic areas and stakeholders they concern. The 2024 results are shown in Section 1.5.2.

		Governance & standard	
Targets	**2030 targets**	**reviewed by**	**ESRS**
Total Group GHG emissions, Scopes 1, 2 (location-based) and 3 *(in Mt CO_2 eq.)*[(1)]	120/140	EESDC	E1
Customer support: GHG emissions avoided by ENGIE offers and services *(in Mt CO_2 eq.)*	65/85	EESDC	E1
GHG emissions from energy generation, Scopes 1 and 3.15 *(in Mt CO_2 eq.)* □□	26/36	EESDC	E1
GHG emissions from commodity sales (energy and fuels), Scopes 3.3.D and 3.11 *(in Mt CO_2 eq.)*	63/83	EESDC	E1
of which GHG emissions relating to fuel sales, Scope 3.11 *(in Mt CO_2 eq.)*	36/46	EESDC	E1
Methane emissions from gas infrastructure, Scope 1 *(in Mt CO_2 eq.)*	-50% vs. 2017	EESDC	E1
Share of renewable energy capacity in electricity production (@ 100% and excluding energy storage) □□	58%/66%	EESDC	E1
Proportion of the top 250 preferred suppliers (excluding energy) certified by or aligned with the SBT	100%	EESDC	E1
Carbon neutrality of GHG emissions relating to ways of working *(in Mt CO_2 eq.)*	0	Executive Committee	E1
Percent reduction in NOx emissions vs. 2017	-75%	Executive Committee	E2
Percent reduction in SOx emissions vs. 2017	-98%	Executive Committee	E2
Percent reduction in total particle emissions vs. 2017	-60%	Executive Committee	E2
Fresh water consumption per energy produced *(m^3/MWh)*	0.1	EESDC	E3
Percentage of all the Group's industrial activities where ecological site management has been introduced, particularly without using chemical phytosanitary products	100%	EESDC	E4
Lost Time Injury Rate for employees, temporary workers and (sub)contractors per million hours worked	1.5	EESDC	S1
Fatality rate per million hours worked each year	0	EESDC	S1
Percentage of women managers □□	40%/60%	EESDC	S1
Gender pay gap	<2%	EESDC	S1
Proportion of apprentices in the workforce on permanent and fixed-term contracts in France excluding regulated entities GRDF and GRTgaz	>10%	EESDC	S1
Percentage of staff trained each year	100%	EESDC	S1
Responsible procurement ratio (excluding energy purchases): CSR assessment and inclusive procurement	100	EESDC	S2
Percentage of activities with an environmental plan established in consultation with stakeholders	100%	EESDC	S3
Percentage of activities with a societal plan for consultation with stakeholders	100%	Executive Committee	S3
Percentage of employees most exposed to corruption risk who receive training	>95%	EESDC	G1

□□ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

(1) Scope 1 and 2 GHG emissions verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).

	Activities concerned							Geographic areas				Stakeholders concerned								
												Customers			Other stakeholders					
	Renewables	Networks	Energy Solutions	FlexGen	Retail	GEMS	Nuclear	North America	South America	Europe	Asia, Middle East, Africa	B2B & industrial partners	B2T	B2C	Suppliers & subcontractors	Employees	Regions	Financial partners & shareholders	Civil society
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3.1.1.3 ESG Responsibility Governance

3.1.1.3.1 The role and responsibilities of governance bodies [GOV-1]

Role and responsibility of the Board of Directors relating to sustainability issues

[GOV-1 20; GOV-1 21 (a, b, c, d, e)] The organization and operation of the Group's corporate governance are described in Section 4.1. More precisely:

- Sections 4.1.1 and 4.1.1.7 refer to the composition and diversity of the Board of Directors;
- Section 4.1.2 refers to the roles and responsibilities of the Board of Directors;
- Section 4.1.1.7 refers to the expertise and skills of the Board of Directors;
- Section 4.1.3 refers to Executive Management.

[**GOV-1 20 b] [GOV-1 22a]** The work of the Board of Directors has been prepared by the committees on the basis of their specific expertise:

- the Ethics, Environment and Sustainable Development Committee (EESDC) reviewed the impacts, risks and opportunities (IROs), their influence on the business model and strategy, and the policies, action plans and associated objectives;
- the Audit Committee monitors all key financial and sustainability performance indicators and, more generally, the process of producing sustainability information;
- the Appointments, Compensation and Governance Committee (ACGC) reviewed the definition and monitoring of management compensation incentives linked to the Group's ESG performance.

[GOV-1 20 c, GOV-1 23a] The expertise and skills of governance bodies with regard to sustainability matters are presented in Section 4.1.1.7 in the table entitled "Individual key areas of expertise of Directors". The training of Directors is covered in Sections 4.1.1.9 and 4.1.2.3.

Role and responsibilities of Executive Management

[GOV-1 20] Executive Management is presented in Section 4.1.3

[GOV-1 22a, b, ci, cii, ciii, d] Most Executive Committee members are experts in one or more matters related to material IROs, as illustrated in the double materiality assessment in **[IRO-1 53 d].** These experts validate the objectives and monitor the progress of the action plans associated with these material IROs before any presentation to the EESDC and subsequently to the Board of Directors.

In 2024, oversight of the production and quality control procedures for sustainability information was carried out by the CSRD Steering Committee under the joint responsibility of the Finance and ESG Departments. The roadmap for adapting the internal control system for sustainability information is currently being developed (see Section 3.1.1.5.2 "Internal control of the Sustainability Statement").

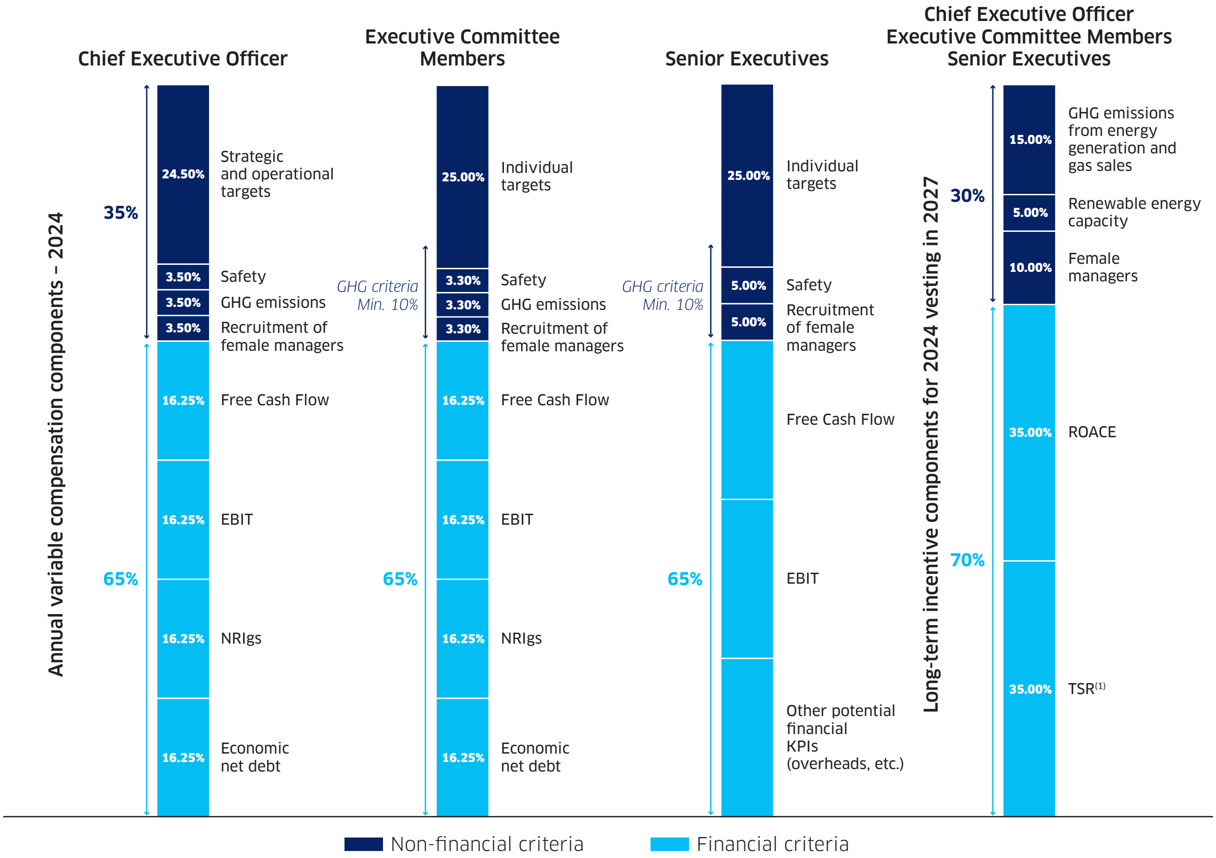
[GOV-1 23] In 2024, dedicated deep-dive sessions on the CSRD and sustainability topics were organized for Executive Committee members.

3.1.1.3.2 Incentives for management bodies [GOV-3]

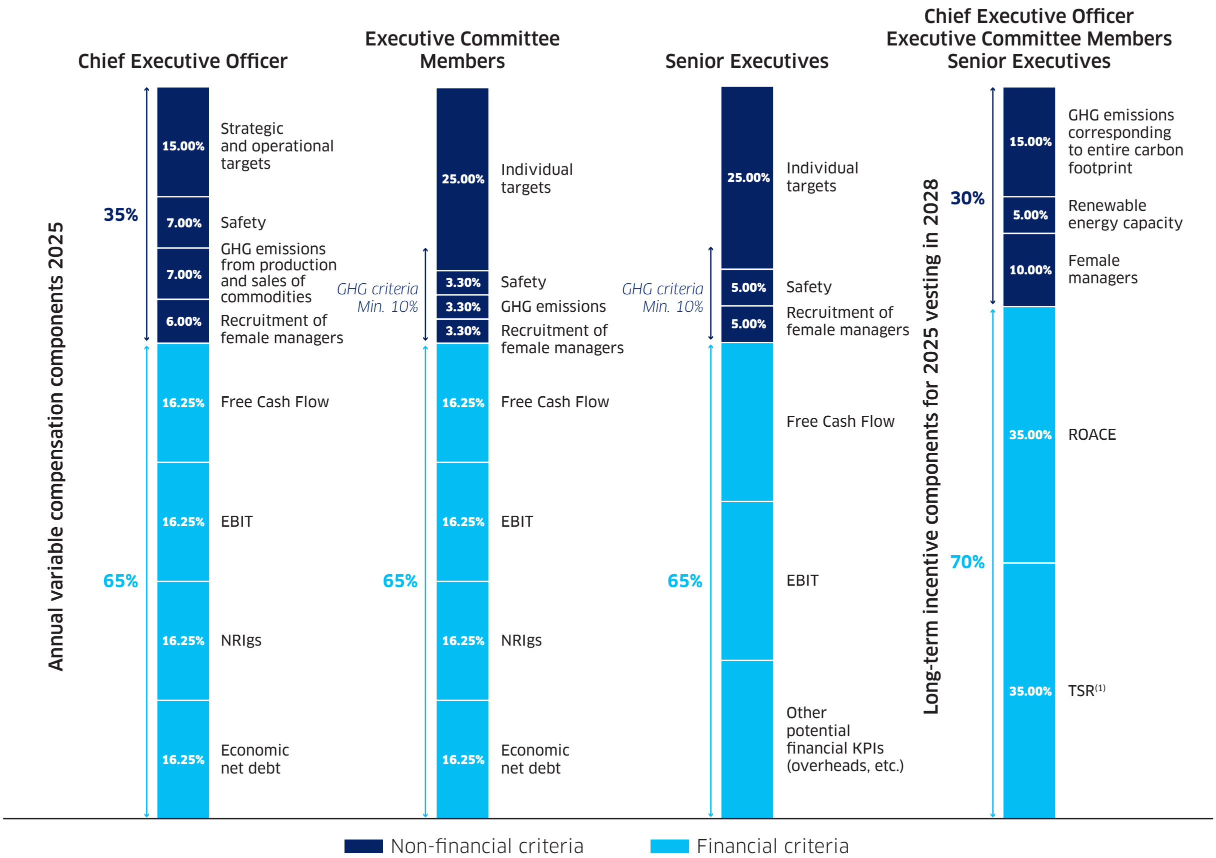
[GOV-3 29a, e] The presentation of incentive mechanisms, their approval and updating procedures are detailed in Section 4.2.

[GOV-3 29b, c] The chart below summarizes the proportion of criteria selected as targets for 2024 and those proposed for 2025. Non-financial criteria include ESG criteria. Individual objectives are not necessarily of a non-financial nature (e.g., business objectives). They are defined according to the prerogatives of each Executive Committee member or other senior executive. These developments concern the following points:

ANNUAL VARIABLE COMPENSATION AND LONG-TERM INCENTIVES FOR 2024



PROPOSED ANNUAL VARIABLE COMPENSATION AND LONG-TERM INCENTIVES FOR 2025



(1) *Compared to Eurostoxx, Utilities index.*

[GOV-3 29d] The target proportion of variable compensation dependent on non-financial targets is 35% for the Chief Executive Officer, other members of the Executive Committee and other senior executives.

The target proportion of long-term incentive compensation dependent on non-financial objectives is 30% for the Chief Executive Officer, the other Executive Committee members and the other senior executives.

3.1.1.3.3 Involvement of governance bodies [GOV-2]

[GOV-2 24, 25, 26a, b, c] The way in which governance bodies are informed about sustainability matters and how said matters were addressed throughout 2024 is presented in Section 4.1.2.4 in the tables setting out the "Main tasks and activities in 2024" for each Committee.

3.1.1.3.4 Statement on due diligence [GOV-4]

In accordance with French Act no. 2017-399 of March 27, 2017 on the duty of vigilance of parent companies and contractors, ENGIE publishes a Vigilance Plan (see Section 3.2). This plan brings together all the measures implemented by ENGIE to identify and prevent the risks of negative impacts on people and the environment associated with its activities and those of its controlled companies, as well as the activities of its subcontractors or suppliers with whom it has an established business relationship. Information on the due diligence process provided in the Sustainability Statement is detailed in the cross-reference table in Appendix 3.1.5.4.

3.1.1.4 Double materiality process

3.1.1.4.1 Description of the methodology [IRO-1]

[IRO-1 51, 52] Between the end of 2023 and mid-2024, the Group carried out a double materiality assessment of its ESG matters and the associated impacts, risks and opportunities (IROs). This assessment, carried out for the first time in accordance with ESRS standards, has enabled the Group to complete and deepen the materiality assessment used in the past. This first ESRS double materiality assessment will be updated to take account of any major events that could have an impact on the results of the double materiality assessment.

The ESRS-1 standard calls for two parallel analyses to be carried out: on the one hand, that of the positive or negative, actual or potential, short-, medium- or long-term impacts of the company's activity on the environment or society: i.e., **impact materiality**; and on the other, that of their effects, risks or opportunities, actual or potential, short-, medium- or long-term, on the company's financial performance: i.e., **financial materiality**. As impact materiality and financial materiality are generally interdependent, the links between these two dimensions are taken into account.

PRESENTATION OF DOUBLE MATERIALITY

The work performed for the double materiality analysis was based on:

- the Group's expertise in assessing ESG matters and their impact;
- the expertise of an external consulting firm to ensure the robustness of the methodology deployed;
- the mobilization of its internal and external stakeholders, who were consulted as detailed below.

Determination of IROs and their materiality [IRO-1 53a, b]

ENGIE's material IROs were determined in three stages:

1) identification of the main ESG topics or matters for ENGIE;
2) identification of potentially material IROs associated with these matters;
3) assessing the materiality of IROs and selecting material IROs.

These steps are detailed below.

Step 1 – Identification of the main sustainability matters relevant to ENGIE

Work to identify the material issues for ENGIE, the results of which were validated by the Executive Committee, was based on the Group's previous materiality assessment, on the analysis of the ESRS thematic standards – in particular the list of ESRS topics and issues contained in Appendix AR 16 of ESRS 1 "Sustainability matters to be included in the materiality assessment"(1) – on ESG topics addressed by international reporting standards (GRI, SASB) and on a review of the practices of peers in the energy sector.

This step pointed to 16 ESG matters relevant to ENGIE covered by the topical ESRS standards, with the exception of one matter entitled "Cybersecurity, safety and industrial safety", which was added and assigned to the business conduct matters. This matter is not covered by the ESRS (AR 16) but is of great importance.

(1) In accordance with EFRAG's FAQ "ID 177 – AR 16 to DP mapping", appendix AR 16 must be effectively taken into account when assessing materiality, without necessarily assessing the materiality of each sub-topic or sub-sub-topic.

BREAKDOWN OF THE MATTERS RELEVANT TO ENGIE BY ESRS TOPICAL STANDARDS

ESRS standards		Why these matters are relevant to ENGIE	Supervision by an Executive Committee member
ESRS E1	Climate change	Climate change adaptation	Executive Vice President in charge of Finance, ESG and Procurement
		Climate change mitigation and energy transition	
ESRS E2	Pollution	Industrial pollution	Executive Vice President in charge of Finance, ESG and Procurement
ESRS E3	Water and marine resources	Fresh water	Executive Vice President in charge of Finance, ESG and Procurement
ESRS E4	Biodiversity and ecosystems	Biodiversity and ecosystems	Executive Vice President in charge of Finance, ESG and Procurement
ESRS E5	Resource use and circular economy	Resource use and circular economy	Executive Vice President in charge of Finance, ESG and Procurement
ESRS S1	Own workforce	Working conditions and social dialogue	Executive Vice President in charge of Human Resources and Corporate
		Equity and diversity	
		Talent and skills	
ESRS S1 ESRS S2	Own workforce and Workers in the value chain	Health & safety at work	Executive Vice President in charge of Transformation & Geographies and Nuclear Production
ESRS S2	Workers in the value chain	Workers in the value chain	Executive Vice President in charge of Finance, ESG and Procurement
ESRS S3	Affected communities	Affected communities	Executive Vice President in charge of the Corporate Secretariat, Strategy, Research & Innovation, Communication
ESRS S4	Consumers and end-users	Consumers and end-users	Executive Vice President in charge of FlexGen & Retail activities, responsible for Hydrogen activities
ESRS G1	Business conduct	Business ethics	Executive Vice President in charge of the Corporate Secretariat, Strategy, Research & Innovation, Communication
		Sustainable procurement	Executive Vice President in charge of Finance, ESG and Procurement
		Cybersecurity, security and industrial safety(1)	Executive Vice President in charge of Data, Digital and IT, Executive Vice President in charge of the Corporate Secretariat, Strategy, Research & Innovation and Communications, Executive Vice President in charge of Transformation & Geographies and Nuclear Production

(1) Matters specific to ENGIE that are not listed in the ESRS (AR 16).

Step 2 – Identification of the IROs associated with the 16 ESG matters

[IRO-1 53] To identify the IROs associated with the 16 ESG matters, ENGIE mobilized several internal and external stakeholders, with the help of an external consulting firm:

- "General information on the methodology chosen" workshop;
- "Climate and circular economy" workshop;
- "Biodiversity, pollution and water" workshop;
- "Social and personal labor" workshop;
- "Value chain" workshop;
- "Governance" workshop.

These workshops, which brought together all the Group's business units and geographies based on their business and their expertise in the matters identified, made it possible to identify and consolidate an initial list of potentially material IROs. All GBU were represented in these workshops in order to take account of any specificities existing in certain businesses or activities.

These IROs may concern ENGIE's own activities and/or those of upstream or downstream stakeholders in its value chain.

Step 3 – IRO materiality assessment

After drawing up a list of potentially material IROs, ENGIE determined their materiality in two stages: their rating and then the determination of a materiality threshold.

To assess the materiality of the impact and financial materiality, the main parameters below have been evaluated on a scale of 0 to 3, based essentially on qualitative factors:

- **for the materiality of the impact**: the scale and the scope for actual impacts, the irremediable character of the impact for actual negative impacts, and the likelihood of the impact for potential impacts. In the case of a potential negative impact, the severity of the impact takes precedence over its likelihood. This approach has been extended to all potential negative impacts, in addition to those affecting human rights. ENGIE has therefore chosen to raise the probability levels of these impacts from very rare to certain, to avoid probability that is too low, thus diminishing the severity of an impact;
- **for financial materiality**: the current and future effects on the Company's financial performance, by considering the likelihood of impact and the potential scale in parallel.

The IRO rating involved:

- for social and environmental Impacts, participants in identification workshops (company and GBU experts);
- for financial Risks and Opportunities, experts from the Finance Department and the Risks and Insurance Department – in charge of the Group's Enterprise Risk Management (ERM) approach – supervised by the Strategy Department, particularly for Opportunities.

With regard to Risks and Opportunities, specific workshops were organized to assess the financial effect, IRO by IRO, to ensure consistency with the Group's overall enterprise risk management methodology (ERM) and financial statements. Risks and Opportunities were assessed on the basis of a determined impact by an average between a current impact and a future impact (in the medium or long term). These impacts took into account the Group's financial metrics (e.g.: EBIT, net debt or CAPEX) over a three-year period, in line with the Group's Medium-Term Business Plan (MTP) to account for the residual risks affecting the Group's activities, as presented in Chapter 2 "Risk factors and internal control."

[IRO-1 53e] The IRO ratings have been transposed in the ESG matters to which they relate, facilitating their appropriation by external stakeholders in particular.

In this double materiality exercise, dependencies on nature are considered implicit in IROs associated with water consumption or pressure on resources.

Lastly, in order to include the interests and views of stakeholders (suppliers, customers, affected communities, civil society, employees, shareholders), ENGIE conducted individual interviews with them to find out what was most important to them in terms of social and environmental impacts with regard to sustainability matters. Only internal representatives of affected communities were directly questioned on the significance of the impacts. The external stakeholders have been selected by the Group's sales, finance and strategic functions on the basis of their main contacts.

All these external consultations were carried out by an independent firm without the presence of ENGIE, and were preceded by a briefing on the context and method. Based on these interviews, the matters were classified into three categories, ranked from 1 (high priority) to 3 (low priority).

The illustration below compares ESG assessments for "civil society" on the one hand, and for customers and suppliers qualified as "economic partners" on the other. The conclusions of both types of stakeholders are very much aligned with the results obtained.

COMPARATIVE ASSESSMENT OF ESG MATTERS BY CIVIL SOCIETY AND ECONOMIC PARTNERS

ESRS standards		Matters	Civil society	Economic partners
ESRS E1	**Climate change**	Adaptation to the consequences of climate change	★★☆	★★☆
		Climate change mitigation and energy transition	★★★	★★★
ESRS E2	**Pollution**	Industrial pollution	★★★	★★★
ESRS E3	**Water and marine resources**	Preserving water resources	★★☆	★★☆
ESRS E4	**Biodiversity and ecosystems**	Biodiversity and ecosystems	★★☆	★★☆
ESRS E5	**Resource use and circular economy**	Resource use and circular economy	★★★	★★☆
ESRS S1	**Own workforce/own workers**	Working conditions and social dialogue	★★☆	★★☆
		Equity and diversity	★★☆	★★☆
		Talent and skills	★★☆	★★★
ESRS S1 ESRS S2	**Own workforce and Workers in the value chain**	Health and safety of workers	★★☆	★★★
ESRS S2	**Workers in the value chain**	Workers in the value chain	★★☆	★★★
ESRS S3	**Affected communities**	Affected communities	★★☆	★★★
ESRS S4	**Consumers and end-users**	Consumers and end-users	★★★	★★★
ESRS G1	**Business conduct**	Ethics and business conduct	★☆☆	★★★
		Sustainable procurement	★★☆	★★☆
		Cybersecurity, security and industrial safety	★★☆	★★☆

★★★ *Priority 1: all stakeholders have identified the subject as a priority*
★★☆ *Priority 2: some but not all stakeholders have identified the subject as a priority*
★☆☆ *Priority 3: not prioritized by stakeholders during the consultation process*

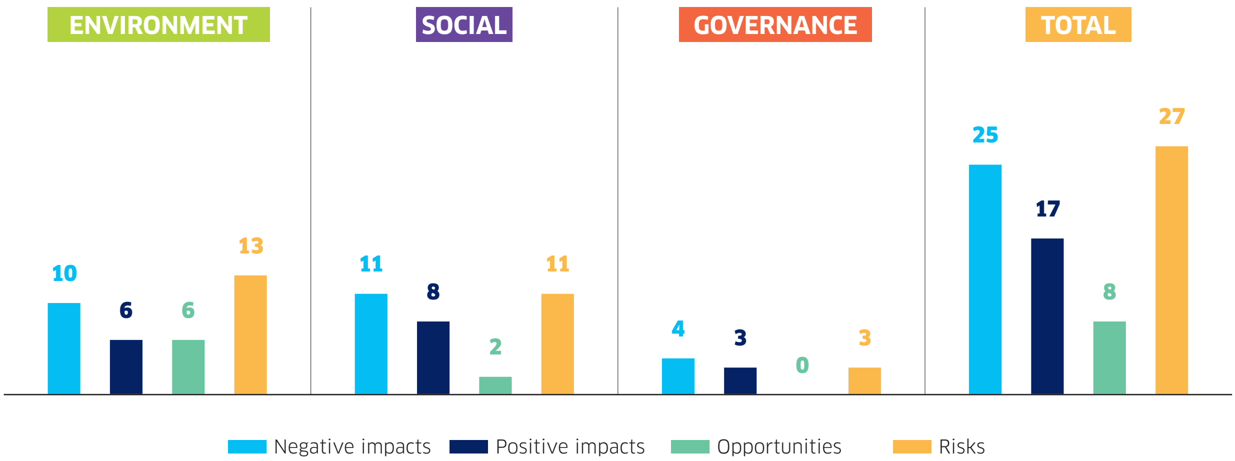
[IRO-1 53d] Appropriation of material IROs by the Group's governance bodies

Under the supervision of the Executive Committee, ENGIE's Executive Vice Presidents reviewed and validated the material IROs allocated to their areas of responsibility, as illustrated in the table in Step 1 Breakdown of the matters relevant to ENGIE by ESRS topical standards.

Result of the double materiality approach

The application of the materiality threshold and the appropriation of material IROs by the Group's governance bodies has enabled ENGIE to conclude its first double materiality exercise with a list of 77 material IROs. These material IROs were formally approved by the Executive Committee on April 12, 2024, then by the Board of Directors on September 24, 2024.

BREAKDOWN OF 77 IROS BY POSITIVE AND NEGATIVE IMPACTS, RISKS AND OPPORTUNITIES



[ESRS 1 104] During the double materiality assessment exercise, some Group subsidiaries identified material IROs that are specific to them due to their own activities, but which have not been identified as material at Group level:

- **Electrabel:** Electrabel SA, the Group's Belgian subsidiary, operates the Doel and Tihange nuclear reactors in Belgium, and is now responsible solely for the management and storage of radioactive waste from the two sites, in accordance with the law. The production of nuclear electricity generates operational waste, waste from dismantling and spent radioactive fuel, which must be treated according to the hazards they represent, and then definitively stored and disposed of by the Belgian National Agency for Radioactive Waste and Enriched Fissile Material (ONDRAF). The agreement signed with the Belgian government on December 13, 2023, and the bill of April 26, 2024, provide a framework for Electrabel's responsibility for waste management, including the setting of a lump sum for future nuclear waste treatment costs, transferring this obligation to the Belgian government. Electrabel will be responsible for packaging them in accordance with the contractual transfer criteria, before handing them over to ONDRAF.
- **Energy networks:** methane emissions have a material environmental impact, given the activities of the energy networks controlled or operated by the Group via independent subsidiaries (GRDF, GRTgaz, Storengy, Elengy and Distrigaz Sud).

The Group's objectives in this area are presented in Section 3.1.2.1.4.

[IRO-1 53 f] Opportunities were assessed with the help of the Finance and Strategy departments, notably to identify those that could have a financial impact.

Input values [IRO-1 53g, h]

The analysis and evaluation of IROs were based on consultation with stakeholders and three data sources:

1) financial thresholds for assessing risks and opportunities in the Group's annual analysis of residual risks (ERM);
2) the previous materiality assessment carried out in 2020 as part of the Non-Financial Statement (NFRD directive);
3) data from a benchmark carried out in September 2023 on the double materiality approach of some of the Group's peers.

Disclosure requirements in ESRS covered by this Sustainability Statement [IRO-2]

The cross-reference table between the ESRS and the Group's double materiality assessment, as well as the list of data points for cross-functional and thematic standards deriving from other EU legislation can be found in Section 3.1.5 “Appendices”.

3.1.1.4.2 Material impacts, risks and opportunities [SBM-3]

DESCRIPTION OF THE IROS

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	Matters	Category	Description	Upstream	Own operations	Downstream	Actual	Potential	Environment	People	Significant or severe	Very significant or severe	Direct link	Indirect link	Short term	Medium term	Long term	Activities concerned SBM-3§ 48 c iv
E1	Adaptation to the consequences of climate change	Risk	Increase in extreme events due to climate change: lower revenues (activity interruption) and higher costs (repairs, insurance, value chain, etc.).		•	•									•	•	•	All
E1	Adaptation to the consequences of climate change	Risk	Regular and significant changes in climate leading to a drop in energy production or demand: changes in rainfall, wind, temperatures or sunshine and reduced heat demand (e.g., lower gas sales to heating networks).		•	•									•	•	•	All
E1	Climate change mitigation and energy transition	Negative impact	Climate change due to GHG emissions generated by the combustion of fossil fuels for the production and sale of energy (mainly electricity and gas).		•	•	•		•			•	•		•	•	•	FlexGen & Retail Energy Solutions GEMS (Supply)
E1	Climate change mitigation and energy transition	Positive impact	Contribution to the decarbonization of customers through the sale of green products and services.	•	•	•	•		•		•		•		•	•	•	Energy Solutions Retail GEMS (PPA)
E1	Climate change mitigation and energy transition	Positive impact	Accelerating the transition to a carbon-neutral economy, by developing renewable energies and flexible solutions.	•	•	•	•		•			•	•		•	•	•	Renewables FlexGen
E1	Climate change mitigation and energy transition	Positive impact	Ensuring ENGIE's public service mission via a robust and resilient value chain (supply, production, storage, distribution, etc.).	•	•		•			•		•	•		•	•	•	Networks Retail
E1	Climate change mitigation and energy transition	Risk	Changes in national regulations or standards relating to the energy transition and climate, with repercussions on the Group's activities.		•										•	•	•	All
E1	Climate change mitigation and energy transition	Risk	Low total gas demand in ENGIE's gas activities (transport, distribution, storage, production and sales) and delays in conversion to green gas, leading to lower revenues and impairments (e.g., stranded assets).		•	•									•	•	•	Networks FlexGen & Retail GEMS
E1	Climate change mitigation and energy transition	Opportunities	Financing innovation through improved market conditions made possible by national government subsidies or regulatory changes (e.g., North America and IRA).		•										•	•		All
E1	Climate change mitigation and energy transition	Opportunities	Accelerating the production of renewable or decarbonized gas and electricity by increasing the size share of the market, which will translate into higher revenues: renewable electricity, nuclear, low-carbon gas (green H_2, biomethane, e-methane), carbon capture (CCUS), etc.		•										•	•	•	All
E1	Climate change mitigation and energy transition	Opportunities	Supporting the integrated energy player model, developing flexible solutions (BESS, pumped storage, CCGT) and expertise in energy markets to take advantage of energy and price volatility (renewable production, climate change, etc.).		•										•	•	•	All

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	**Matters**	**Category**	**Description**	Upstream	Own operations	Downstream	Actual	Potential	Environment	People	Significant or severe	Very significant or severe	Direct link	Indirect link	Short term	Medium term	Long term	**Activities concerned SBM-3§ 48 c iv**
E2	Industrial pollution	Negative impact	Soil and water pollution from direct operations with an impact on human health or ecosystems.		•		•		•	•	•		•		•	•	•	FlexGen Renewables Networks Energy Solutions
E2	Industrial pollution	Negative impact	Soil and water pollution, including raw material extraction areas, with an impact on human health or ecosystems as a result of the value chain.	•			•		•	•	•			•	•	•		FlexGen Renewables Energy Solutions
E2	Industrial pollution	Negative impact	Air pollution generated by smoke emissions from thermal power plant combustion (NO_x, SO_x, PM and others), which may have an impact on human health and ecosystems.		•		•		•	•	•		•		•	•	•	FlexGen
E2	Industrial pollution	Positive impact	Needs for ground surface on which to install solar, wind, battery or hydrogen power systems can help give polluted land new utility and generate income for restoration efforts.		•		•		•		•		•		•	•	•	Renewables Energy Solutions
E2	Industrial pollution	Risk	Risk to the Group's reputation in the event of an accident or poor management of pollution problems.		•	•									•	•	•	FlexGen Renewables Energy Solutions Networks
E2	Industrial pollution	Risk	Risk of fines, penalties, compensation, even a slowdown of activity or loss of operating licenses due to non-compliance with industrial pollution regulations and impact on the health of local communities.		•										•	•	•	FlexGen Renewables Energy Solutions Networks
E2	Industrial pollution	Risk	Weakening or interruption of the supply chain and production due to the inability of partners to comply with environmental requirements.	•											•	•	•	All
E3	Preserving water resources	Negative impact	Significant use of fresh water to cool thermal and nuclear power plants and operate LNG terminals.		•		•		•	•	•		•		•	•	•	Nuclear FlexGen Networks
E3	Preserving water resources	Negative impact	Significant consumption of fresh water for the extraction of raw materials in the value chain, including fuels.	•			•		•	•	•			•	•	•	•	All
E3	Preserving water resources	Risk	Slowdown, stoppage or reduction in profitability due to constraints on the operation of production sites and industrial activities caused by water shortages, unsuitable river temperatures, conflicts over water use, usage restrictions and increased regulatory requirements.		•										•	•	•	All
E3	Preserving water resources	Risk	Fines and penalties for non-compliance with water use regulations.		•										•	•	•	Nuclear FlexGen Networks
E3	Preserving water resources	Opportunities	Growing demand for desalination projects that meet high environmental standards.		•										•	•	•	FlexGen
E4	Biodiversity and ecosystems	Negative impact	Impact of construction sites on habitats, wildlife (terrestrial and aquatic ecological continuity/land artificialization).	•	•		•		•			•	•		•	•	•	Renewables FlexGen Energy Solutions Networks
E4	Biodiversity and ecosystems	Negative impact	Disturbance of terrestrial and aquatic environments/land artificialization, related to the operation of industrial sites (including offshore wind farms, etc.).		•		•		•		•		•		•	•	•	Renewables FlexGen Energy Solutions Networks

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	**Matters**	**Category**	**Description**	**Upstream**	**Own operations**	**Downstream**	**Actual**	**Potential**	**Environment**	**People**	**Significant or severe**	**Very significant or severe**	**Direct link**	**Indirect link**	**Short term**	**Medium term**	**Long term**	**Activities concerned SBM-3§ 48 c iv**
E4	Biodiversity and ecosystems	Negative impact	Destruction of biodiversity at raw material extraction and processing sites throughout the Group's value chain.	•			•		•		•			•	•	•	•	All
E4	Biodiversity and ecosystems	Positive impact	Implementation of carbon storage projects with a positive impact on biodiversity and ecosystems (Nature-Based Solutions).		•			•	•		•		•				•	FlexGen Energy Solutions GEMS Networks
E4	Biodiversity and ecosystems	Risk	Fines and penalties for non-compliance with environmental regulations relating to biodiversity.		•										•	•	•	FlexGen Energy Solutions Renewables Networks Nuclear
E4	Biodiversity and ecosystems	Risk	Reduced profitability of projects due to stricter regulatory requirements, which may lead to projects being abandoned (e.g., potential obligations to implement compensation measures that are very costly or even impossible to implement, or the presence of protected species).		•								•		•	•	•	FlexGen Energy Solutions Renewables Networks Nuclear
E5	Resource use and circular economy	Negative impact	Pressure on resources, conflicts over use and geopolitical issues (e.g., competition with the food sector for biomethane production, competition with wood, etc.).	•	•		•		•	•	•		•		•	•	•	Renewables FlexGen Energy Solutions Networks GEMS
E5	Resource use and circular economy	Positive impact	Reduction in demand for resources resulting from (i) lower energy demand due to energy efficiency, (ii) eco-design of equipment and (iii) optimized operation of energy assets.		•		•		•		•		•		•	•	•	Renewables FlexGen Energy Solutions
E5	Resource use and circular economy	Risk	Counterparty/supplier risk in the event of inability to honor contractual commitments on renewable energy projects due to supply constraints.	•	•	•									•	•	•	Renewables Energy Solutions GEMS
E5	Resource use and circular economy	Risk	Increased costs for dismantling networks and treating the waste produced.		•										•	•	•	Renewables FlexGen Energy Solutions Networks Nuclear
E5	Resource use and circular economy	Opportunities	Strong demand for heating and cooling networks and methanization using local resources (biomass, geothermal energy, waste heat, manure, etc.).		•										•	•	•	Energy Solutions FlexGen Networks
E5	Resource use and circular economy	Opportunities	Reuse and modernization of Group networks to support the energy transition (e.g., coal converted to biomass, gas networks adapted to hydrogen and biogas, wind turbines).		•										•	•	•	FlexGen Energy Solutions Networks
S1	Working conditions and social dialogue	Negative impact	Deterioration of social dialogue and wage negotiations, particularly at a time of Group transformation/strategic development and/or changes in the laws and regulations applicable to its activities.		•			•		•	•		•		•	•	•	All

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	Matters	Category	Description	Upstream	Own operations	Downstream	Actual	Potential	Environment	People	Significant or severe	Very significant or severe	Direct link	Indirect link	Short term	Medium term	Long term	Activities concerned SBM-3§ 48 c iv
S1	Working conditions and social dialogue	Positive impact	Group employees may benefit in the short, medium and long term from improved working conditions and fundamental rights, notably through the Global Framework Agreement on Fundamental Rights and Social Responsibility and protection, as well as through the Group's energy transition efforts, which promote healthier and safer activities and working environments.	•	•		•			•	•		•		•	•	•	All
S1	Working conditions and social dialogue	Risk	Legal risk (payment of fines, legal costs and damages) in the event of non-compliance with regulations (workers' rights).		•										•	•	•	All
S1	Working conditions and social dialogue	Risk	Uncontrolled increase in the cost of social benefits granted to former employees (retirement pensions, etc.).		•										•	•	•	All
S1	Equity and diversity	Negative impact	Exposure of employees or job applicants to the risk of discrimination, harassment or prejudice in the workplace.		•		•			•	•		•		•	•	•	All
S1	Equity and diversity	Positive impact	The Group's commitment to diversity, equity and inclusion has a positive impact on society.		•		•			•	•		•		•	•	•	All
S1	Equity and diversity	Risk	Legal risk (payment of fines, legal costs and damages) in the event of non-compliance with applicable laws and regulations.		•										•	•	•	All
S1	Talent and skills	Negative impact	The potential loss of jobs related to the evolution of ENGIE's business model, changes in the labor market and the introduction of disruptive technologies such as generative AI.		•		•			•	•		•		•	•	•	All
S1	Talent and skills	Positive impact	Development of employees' skills to improve their employability and career development (e.g., sustainable transition, digitalization).		•		•			•	•		•		•	•	•	All
S1	Talent and skills	Positive impact	ENGIE's contribution to improving expertise and adapting its workforce to new professions, as well as integrating marginalized people through new work opportunities as part of its transformation.		•		•			•		•	•		•	•	•	All
S1	Talent and skills	Risk	Risk of mismatch between resources/skills and the positions to be filled (risk of shortage of qualified people, unavailability of flexible personnel to meet needs, loss of key skills in the event of departure, mobility or recruitment in unattractive locations).		•										•	•	•	All
S1	Health and safety of workers	Negative impact	Exposure of workers to risks likely to affect their physical integrity (accidents, health risks and work-related ill health).		•		•			•		•	•		•	•	•	All
S1	Health and safety of workers	Negative impact	Exposure of workers to risks that may affect their psychological integrity (psychosocial risks).		•		•			•		•	•		•	•	•	All
S1	Health and safety of workers	Risk	Legal risks (fines, costs of proceedings, damages) if the Company is found guilty.		•										•	•	•	All
S1	Health and safety of workers	Risk	Risk to the Group's reputation in the event of serious accidents (including industrial accidents) or allegations of serious incidents.		•										•	•	•	All

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	**Matters**	**Category**	**Description**	**Upstream**	**Own operations**	**Downstream**	**Actual**	**Potential**	**Environment**	**People**	**Significant or severe**	**Very significant or severe**	**Direct link**	**Indirect link**	**Short term**	**Medium term**	**Long term**	**Activities concerned SBM-3§ 48 c iv**
S2	Health and safety of workers	Negative impact	Exposure of value chain workers to risks that could affect their physical (accidents) and psychological (psychosocial risks, arduous work) integrity at ENGIE sites.	•	•		•			•	•		•		•	•	•	All
S2	Health and safety of workers	Risk	Risk to the Group's reputation in the event of serious accidents involving workers in the Company's value chain.	•	•										•	•	•	All
S2	Health and safety of workers	Opportunities	Improving ENGIE's competitiveness when responding to calls for tender (specifications including health and safety).		•										•	•	•	All
S2	Workers in the value chain	Negative impact	Participation in the violation of the fundamental rights and freedoms of workers in the value chain through the purchase of products or services from high-risk sectors.	•			•			•		•		•	•	•	•	All
S2	Workers in the value chain	Positive impact	Contribution to access to decent employment for value chain workers, particularly in activities associated with the "just transition".	•			•			•		•		•	•	•	•	All
S2	Workers in the value chain	Risk	Legal risk and risks to the Group's reputation (payment of fines, remediation costs, legal costs and payment of damages) in the event of a breach of duty of vigilance.	•	•										•	•	•	All
S3	Affected communities	Negative impact	Impact of value chain activities on communities (activities upstream of Group supply chains).	•			•			•		•		•	•	•	•	GEMS
S3	Affected communities	Negative impact	Impacts on communities due to industrial incidents.		•		•			•	•		•		•	•	•	FlexGen Renewables Energy Solutions Networks Nuclear
S3	Affected communities	Negative impact	Impact of Group operations on community rights.		•			•		•	•		•		•	•	•	FlexGen Renewables Energy Solutions Networks Nuclear
S3	Affected communities	Positive impact	Job creation and contribution to local wealth.			•	•			•		•		•	•	•	•	All
S3	Affected communities	Risk	Challenges to the license to operate and the risk of projects being halted or legal action taken by affected communities due to: (i) a climate of conflict in which consultations and participatory meetings do not work (ii) a lack of social acceptability in the absence of sufficiently anticipated engagement with stakeholders, or in the event of disorganized or poorly coordinated dialogue, which can lead to a loss of commitment by stakeholders.	•	•										•	•	•	All
S3	Affected communities	Risk	Operational, financial and legal risks (e.g., payment of fines, legal costs and damages, litigation risks, loss or lack of access to World Bank or investor financing) in the event of (i) a major accident impacting affected communities, (ii) failure to respect the rights of indigenous peoples, or (iii) other impacts related to the duty of vigilance.	•	•										•	•	•	All

				Impacted value chain SBM-3 §48 a			Effects SBM-3 §48 b		Influence on SBM-3 §48 c i		Level of influence SBM-3 §48 c i		Link with strategy and activities SBM-3§ 48 c ii		Expected time horizon SBM-3§ 48 c iii			
ESRS	**Matters**	**Category**	**Description**	**Upstream**	**Own operations**	**Downstream**	**Actual**	**Potential**	**Environment**	**People**	**Significant or severe**	**Very significant or severe**	**Direct link**	**Indirect link**	**Short term**	**Medium term**	**Long term**	**Activities concerned SBM-3§ 48 c iv**
S4	Consumers and end-users	Negative impact	Violation of confidentiality and security in the processing of stakeholders' personal information and data (protection and respect of privacy, freedom of expression, access to quality information, canvassing, forced sales), particularly in the monitoring of their energy consumption.			•	•			•	•		•		•	•	•	Retail
S4	Consumers and end-users	Positive impact	Enabling consumers and end-users to consume better (reduce their carbon footprint) thanks to green offerings or local R&R (recovery and renewable energy) solutions.			•	•		•			•	•		•	•	•	Retail
S4	Consumers and end-users	Positive impact	Enabling our customers to consume less through our products, services and communications.			•	•		•		•		•		•	•	•	Retail
S4	Consumers and end-users	Risk	Regulatory caps on energy prices on the stock market or on consumer prices, leading to a reduction in revenue (e.g., gas price caps).		•	•									•	•	•	Retail
S4	Consumers and end-users	Opportunities	Development of new services and offerings to meet consumer needs and expectations.		•	•									•	•	•	Retail
G1	Ethics and business conduct	Negative impact	Economic damage due to non-compliance with anti-corruption legislation, competition law and/or embargoes and sanctions.		•			•		•	•		•		•	•	•	All
G1	Ethics and business conduct	Risk	Damage to the Company's image, financial risk and legal risk due to major incidents of non-compliance with anti-corruption legislation, competition law and/or embargoes and sanctions.		•										•	•	•	All
G1	Sustainable procurement	Negative impact	Deterioration in the environmental and social qualities of alternative energy sources purchased in a context of market instability and resource scarcity.	•			•		•	•		•		•			•	GEMS
G1	Sustainable procurement	Positive impact	Contribution to the dissemination of the Group's ethical and sustainable practices by involving suppliers and partners in the Group's sustainable development approach (e.g., selection of suppliers on the basis of ESG criteria, ESS suppliers or adapted companies, etc.).	•	•		•			•		•		•	•			All
G1	Sustainable procurement	Positive impact	Contributing to the solvency of our suppliers through our payment practices.	•			•			•		•	•		•	•	•	All
G1	Sustainable procurement	Risk	Reduced competitiveness if competitors do not set the same standards in terms of ethical and sustainable practices.	•	•										•	•	•	All
G1	Cybersecurity, security and industrial safety	Negative impact	Exposure of employees and value chain workers to security risks (armed conflict, terrorism, social unrest, etc.) in certain regions where ENGIE operates.	•	•		•			•		•	•		•	•	•	All
G1	Cybersecurity, security and industrial safety	Negative impact	Major industrial and/or nuclear accidents, including incidents related to cyber attacks, affecting people, property and the environment.		•			•	•	•	•		•		•	•	•	FlexGen Renewables Energy Solutions Networks Nuclear
G1	Cybersecurity, security and industrial safety	Positive impact	Continuity of essential services for users thanks to efficiently secured, cyber-protected installations and sites.			•	•			•		•	•		•	•	•	Energy solutions GEMS Retail
G1	Cybersecurity, security and industrial safety	Risk	Damage to the Group's reputation in the event of an industrial and/or nuclear accident, or a data or security breach resulting from a cyber attack.		•										•	•	•	All

Current financial effects [SBM-3 48d]

The current financial effects of ESG risks and opportunities on the Group has been taken into account in the financial statements and are described in Note 1 of Section 6.2.2 "Notes to the consolidated financial statements".

Resilience of strategy and the business model [SBM-3 48f]

Monitoring the achievement of objectives related to sustainability matters enables the Group to test the resilience of the underlying strategy and business model. In the event of significant and lasting deviation, the Group will revise its targets or its action plan to better achieve them. Details of the strategy and action plans relating to these IROs are provided in the sections dedicated to specific topics.

3.1.1.5 Risk management system and internal control over sustainability reporting [GOV-5]

3.1.1.5.1 Sustainability risk management system

Risks related to sustainability matters are integrated into the Group's overall Enterprise Risk Management Policy, which provides a specific framework for risk governance and control (see Section 2.1 Risk management process).

Climate and sustainability risks and opportunities are directly related to the Group's commitment to the energy transition, and are treated as an integral part of day-to-day operations. For several years now, the Group has been reporting on climate-related risks and opportunities, as recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

Materiality assessments are fully integrated into the risk management system.

3.1.1.5.2 Internal control of the Sustainability Statement

For this first year of sustainability reporting in accordance with CSRD requirements, ENGIE has strengthened the control environment for sustainability reporting processes, notably by deploying information systems for the HR (ESRS S1) and environmental (ESRS E1 - E5) scopes. The roles and responsibilities of each of the functions contributing to sustainability reporting have been formalized, in line with the Group's Operating Model and internal control organization principles. The documentation of certain processes has been reinforced, in particular for the double materiality assessment and the reporting of non-financial metrics (environmental, HR and health & safety in particular).

The roadmap that is currently being developed should increase coverage of topics that are material for the Group and develop the system's maturity. This approach has been proposed to the Executive Committee and the Audit Committee and validated by the Board of Directors for implementation from 2025.

3.1.2 Environmental information [ESRS E1 to E5]

3.1.2.1 Climate change [ESRS E1]

3.1.2.1.1 Climate impacts, risks and opportunities [IRO-1, SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model [ESRS 2 SBM-3]

[ESRS 2 SBM-3 18] The list of ENGIE's material climate-related physical and transition risks can be found in Section 3.1.1.4.2.

Scope, methodology and assumptions of resilience analysis

[ESRS 2 SBM-3 19a, 19b] The analysis of resilience to climate change risks covers the Group's entire portfolio, in terms of both technologies and geographical footprint.

It is carried out as part of the Enterprise Risk Management (ERM) process, which is an iterative process conducted annually and based on periodically updated scenarios. A detailed description of the process, time horizons and scenarios used can be found in this section (section on IRO-1).

Analyses are also performed as part of the Group's investment process (new projects):

- for physical climate risk, a sensitivity analysis to changes in energy production or demand and trends in extreme events is carried out;
- for climate impact, an assessment of the project's key emissions and alignment with the Group's climate targets is carried out.

Results of the resilience analysis and its incorporation into economic strategy

[ESRS 2 SBM-3 19c] The results of the resilience analysis regarding risks are described in:

- Section 2.2.2 for physical risks;
- Section 2.2.3 for transition risks.

With regard to opportunities, the modeling of the Group's energy futures has identified a number of sectors that are essential to the energy transition and in which ENGIE has chosen to position itself to accelerate the transition to a carbon-neutral economy. The phase-out of coal and the massive development of renewable generation capacity are two examples of the Group's ability to adapt its strategy and business model to a changing system.

Description of processes to identify and assess material climate-related impacts, risks, and opportunities [ESRS 2 IRO-1]

The processes to identify and assess material climate-related impacts, risks and opportunities on the Group's activities and assets, and throughout its value chain, are described in Section 3.1.1 "General disclosures".

Identification and assessment of climate impacts

[ESRS 2 IRO-1 20a, AR 9b] ENGIE identifies and measures annually the greenhouse gas (GHG) emissions generated by its activities (Section 3.1.2.1.6.).

[ESRS 2 IRO-1 AR 9a] To reduce its impact on climate change, ENGIE has set GHG emission reduction targets (Section 3.1.2.1.4.).

Climate risk assessment integrated into the overall risk management policy

[ESRS 2 IRO-1 20] Assessments of climate risks and opportunities (physical and transition) are carried out in compliance with the ERM process and the corresponding guidelines defined by the Group's Risk Management and Insurance Department (see Section 2.2.1.1) and are performed for each of the Group's operating entities in its various geographies, with the support of the risk officers of those entities, as follows:

- for physical risks and opportunities, assessments are carried out by the site managers with the support of the Country Sustainability Officers and are documented in the specific section of the climate change risk catalog;
- for transition-related risks and opportunities, assessments are carried out by the entities' strategy departments and documented in the relevant sections of the risk catalog (definition and analysis of overall strategy, business environment, regulatory environment and technology).

The guidelines used by the climate risk analysis teams take into account the frequency, magnitude and duration of the hazards, as well as the exposure and vulnerability of the Group's assets or activities, in order to determine the inherent risks.

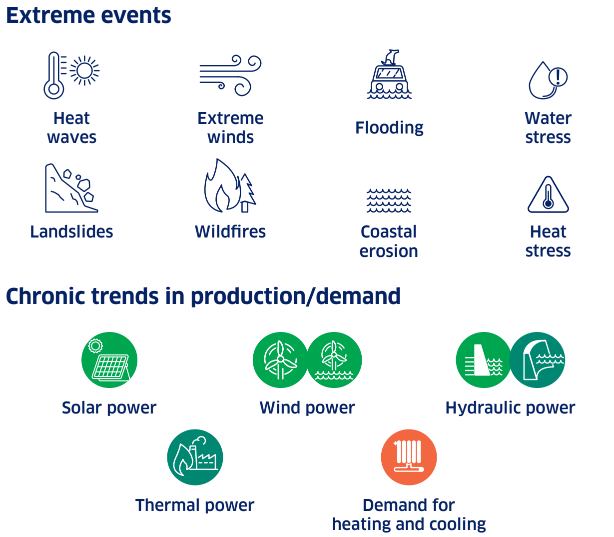
Climate risks are examined in relation to specific time horizons: short-term (<3 years), medium-term (4-6 years) and long-term (>6 years and up to 2050 and 2070). The last of these time horizons reflects the lifespan of certain industrial assets (which will be impacted by climate change), national/EU/international regulations or agreements, and the transition period during which the Group will decarbonize its portfolio (Scope 1, 2 and 3 emissions).

Identification, assessment and description of scenarios: focus on physical risks related to climate change

[ESRS 2 IRO-1 20b]

The ERM process is used to identify and (re)assess (new) risks that could affect the Group, in accordance with the guidelines issued by the Environmental, Social and Governance (ESG) Department.

With particular reference to climate change adaptation, and after identification by the operational teams, the risks were structured on the basis of Annex A of the European Green Taxonomy and then prioritized according to their relevance and the maturity of climate science. The final list of risks currently modeled by the Group and used in resilience analyses is as follows:



Metrics relating to trends in extreme events are "primary" metrics derived directly from the CMIP5, CMIP6 and CORDEX international climate models (see next paragraph).

By contrast, metrics for chronic production trends are the subject of specific in-house modeling based on primary climate metrics.

Activity	Trend modeling
Thermal generation (gas-fired power plants)	ENGIE has assessed the impact of climatic conditions on the performance (efficiency and output) and availability of these plants (based on temperature and river flow thresholds to determine plant outages).
Hydro generation	ENGIE uses hydro-climatic projections to assess production variations attributable to climate change. Projections by asset are based on simulated flow rates and technical characteristics for the asset.
Solar generation	The impact of climate change is calculated by taking into account changes in solar irradiation and temperature, which affect module performance.
Wind generation	The impact of climate change is calculated using power curves (depending on turbine type/model) that relate wind speed to available power. The effects of temperature are accounted for either by shutdown in the event of high temperatures or by a gradual decrease in production.
Demand for heating and cooling	Demand for heating and cooling is calculated based on heating and cooling degree days, population density, and assumptions about commercial and residential buildings. Domestic hot water demand is also included.

The main impacts of these risks on ENGIE's activities are:

- the impact of extreme events on asset integrity;
- the chronic impact of climate change on production trends and asset demand;
- the impact of extreme events, particularly heat stress, on the health & safety of employees and subcontractors;
- the impact of extreme events on local (access roads, adjacent power grids, etc.) and global supply chains.

[ESRS 2 IRO-1 20b, 21] ENGIE uses scenario analysis to identify and assess physical risks. The exposure of the Group's assets is modeled by a dedicated research team within ENGIE. Since 2019, the team has been working with external experts such as those from the *Institut Pierre-Simon Laplace* (IPSL).

The scenarios are based on the Representative Concentration Pathways (RCPs), which are scenarios of radiative forcing pathways up to 2100. They were developed by the Intergovernmental Panel on Climate Change (IPCC) for its Fifth Assessment Report on Climate Change (IPCC AR5).

ENGIE focuses primarily on the following two warming scenarios:

- a central scenario, in which emissions stabilize at a low level before the end of the century (RCP 4.5): this scenario is used notably as a basis to analyze the exposure of the Group's assets and operations. This scenario projects a temperature increase of between 2.4°C and 3°C by the end of the century compared with pre-industrial levels;
- a pessimistic scenario in which GHG emissions increase at the current rate (RCP 8.5): This scenario is used notably for sensitivity analyses of the Group's assets and operations. RCP 8.5 represents an extreme warming scenario in which GHG emissions continue to increase without significant outcry in society for an ecological transition. This scenario projects global warming of 4°C or more by 2100, leading to severe and frequent climate impacts.

The analysis uses CMIP5 or CMIP6[1] global models or CORDEX[2] regional models, as appropriate, all of which use IPCC scenarios as input data. Wherever possible, ENGIE uses bias-corrected data with respect to recent climate, in line with the IPCC's work on the impacts of climate change. The use of bias-corrected data is crucial for anything that involves thresholds or absolute values. For example, in the case of wind power, ENGIE uses power curves that are highly dependent on these adjustments.

The analysis of the impact of extreme events uses scenarios derived from the RCP scenarios and considers global warming potentials as follows:

- +1.5°C for assets ending between 2026 and 2040;
- +2°C for assets ending between 2041 and 2060;
- +3°C for assets ending after 2060.

The +4.0°C warming level is used for sensitivity analyses.

Correspondence was made by following IPCC recommendations, see Table 4.5, Chapter 4 of the IPCC AR6 WGI report.

The data used for the analysis include the location of the asset (geographic coordinates), the type of site, and the type of operations carried out.

Scenario identification, assessment and description: focus on transition risks

[ESRS 2 IRO-1 20c] The process of identifying and assessing transition risks and opportunities begins with an analysis of the materiality of transition events based on the elements recommended by the CSRD and the Taskforce on Climate-related Financial Disclosures (TCFD) (https://www.fsb-tcfd.org/recommendations/), including events related to policy and legal, technological, market and reputational developments.

[ESRS 2 IRO-1 AR 12a] The Risk Officers of the operating entities identify risks through discussions with the heads of their entities' departments (Legal, Finance, ESG, etc.). The Chief Risk Officers, who are members of the entities' Management Committees, validate the risks submitted to them by the Risk Officers and are responsible for the quality of the information provided.

The main transition events identified in the context of accelerating the pace of decarbonization, and European and global targets are:

- electrification of uses and flexibility;
- transition to decarbonized gases;
- energy-efficient building renovation and change of heating solutions.

[ESRS 2 IRO-1 AR 12 b] The exposure and vulnerability of the Group's activities to transition events are taken into account in the transition risk analysis.

[ESRS 2 IRO-1 21, AR 13 a, AR 13 b] With regard to transition risks and opportunities related to climate change, the Group annually updates various energy scenarios including an Energy Transition scenario for Europe (15 countries) to 2050, in order to address current and future challenges and adapt its business model. The chosen projection horizon (2050) covers ENGIE's entire decarbonization pathway (Net Zero 2045), as well as the systems in which the Group operates (e.g., goal of contributing to carbon neutrality in Europe by 2050).

(1) CMIP6 (or 5) is the 6th (or 5th) phase of the Coupled Model Intercomparison Project, a global collaborative project of climate modelers whose work is a reference in terms of climate science models.

(2) Coordinated regional Climate Downscaling Experiment. CORDEX uses the same assumptions and models as CMIP (joint work), but provides greater geographic granularity.

The scenarios are determined by the Group using internal forecasting models and are based on the following specific elements of the downstream value chain:

- forward market prices over the liquidity period for fuel, CO_2 and electricity in each market against a backdrop of volatile energy prices;
- beyond this period, medium- and long-term energy prices were determined by the Group based on macroeconomic assumptions and fundamental supply and demand equilibrium models (electricity demand, development of installed capacity, etc.), as well as medium- and long-term forecasts of fuel and CO_2 prices.

The scenarios are updated annually, and a central scenario is then used for medium- and long-term commodity projections, notably for gas and electricity, financial projections and asset values for impairment testing.

The model outputs from the central scenario determine the greenhouse gas (GHG) emissions associated with the Group's activities, the volume-based prices of energy and CO_2, and energy demand. The results are compared with the model outputs of various recognized external scenarios, including those of grid operators (European Network of Transmission System Operators for Electricity – ENTSO-e, Réseau de Transport d'Électricité – RTE, Terna, National Grid, etc.), various government plans (National Energy and Climate Plan – NECP), or scenarios from public institutions (International Energy Agency – IEA, *Agence de l'environnement et de la maîtrise de l'énergie* – ADEME) or external consultants (AFRY, Aurora, Baringa).

The same process, with similar controls and analyses, is in place for the Group's other geographies, notably South America and certain markets in the United States, but is focused exclusively on the Group's electrical activities.

The version of the Net Zero 2024 scenario consistent with a +1.5°C pathway was presented publicly on November 12, 2024 (https://www.engie.com/en/decarbonization-scenario-second-edition). Going forward, the ENGIE Group will use this scenario to quantify transition risks and opportunities.

[ESRS 2 IRO-1 AR 13b] ENGIE's Net Zero scenario highlights the need to combine all renewable energy sources to ensure the resilience of the energy system and the competitiveness of European economies. Given the significant interconnection of energy systems across Europe, the decarbonization pathway models integrate 15 European countries. ENGIE's scenario uses the most relevant existing decarbonization levers, while leaving room for emerging technologies.

[ESRS 2 IRO-1 AR 13c] The Net Zero decarbonization scenario for Europe therefore focuses on the integration of various renewable energy sources and the improvement of energy efficiency. The plan includes a reduction in energy consumption, a significant increase in solar and wind power, and a strong increase in electricity storage capacity. Gas, which will be fully decarbonized, will be partially replaced by biomethane. Carbon-free hydrogen will also play a key role in transportation and industry.

ENGIE has several key convictions, including combining electrons and molecules for successful energy transition, the massive development of electricity generation from renewables, and the anticipation of flexibility needs. ENGIE has opted for a balanced mix, integrating renewable gas and carbon dioxide capture and storage in order to guarantee an energy system with the best levels of efficiency and resilience.

[ESRS 2 IRO-1 AR 13d] The main limit of this prospective scenario, which by its nature contains uncertainties, concerns the role of green gas in future Net Zero energy systems and the capacity of countries to roll out renewables on a massive scale.

[ESRS 2 IRO-1 AR 15] The scenarios used in the analysis are consistent with the assumptions used in the Group's financial statements (see Section 3.1.2.1.5).

3.1.2.1.2 Governance and policies [GOV-3, E1-2]

Governance and integration of sustainability performance in incentive schemes [ESRS 2 GOV-3]

[E1-2 MDR-P c] Governance on climate matters is presented below:

SHAREHOLDERS' MEETING

1 year – Progress on climate issues

3 years – Consultative climate resolution

ETHICS, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE

- Reviews the Group's climate objectives, their configuration (ambition, definition, scope, deadlines and level of certification) and monitors their implementation
- Examines the risks and opportunities of climate change

Prepares the decisions of the BOARD OF DIRECTORS

AUDIT COMMITTEE

- Examines the priority risks, including climate risk
- Examines the assumptions underlying financial guidance, including climate assumptions
- Examines the accounting impact of exceptional weather events
- Examines the adequacy of risk insurance coverage (including climate risk)

THE BOARD OF DIRECTORS

- **Sets the Climate strategy and associated objectives**
- **Ensures that the Climate strategy is at the heart of the Group's overall strategy, in accordance with its purpose**

INVESTMENT AND TECHNOLOGY COMMITTEE

- Incorporates the Group's climate issues and objectives into its investment decision-making process

Prepares the decisions of the BOARD OF DIRECTORS

APPOINTMENTS, COMPENSATION AND GOVERNANCE COMMITTEE

- Sets the conditions for the compensation of the Chief Executive Officer and performance share beneficiaries according to specific climate targets
- Leads the annual assessment of the Board of Directors, particularly with regard to consideration of climate issues

Chief Executive Officer

EXECUTIVE COMMITTEE

- Implements the Group's Climate strategy
- Approves the Group's Climate strategy
- Arbitrates on the climate pathway among GBUs
- Supports each of the 2030 CSR objectives (including 10 climate objectives)
- Carries out risk reviews

Executive Vice-President in charge of the Corporate Secretariat, Strategy, Research & Innovation and Communication

Executive Vice-Presidents in charge of GBUs

Executive Vice-President in charge of Finance, ESG and Procurement

STRATEGY DEPARTMENT

- Defines carbon price scenarios
- Examines the outlook for the energy markets and trends in demand

ETHICS AND COMPLIANCE DEPARTMENT(1)

- Oversees the Group's Vigilance Plan including climate issues

GBUS/ENTITIES

- Ensure the Climate strategy is translated into action (investments and divestments, new products, projects, etc.)
- Deliver projects and performances in line with climate pathways (annual CO_2 budget allocated by the Executive Committee to the GBUs) and follow up every quarter

ESG DEPARTMENT

- Defines climate policy
- Oversees climate reporting (including TCFD)
- Coordinates the roll-out of the Climate strategy

FINANCE DEPARTMENT

- Ensures that investment decisions are consistent with the Group's climate commitments through their compliance with CO_2 budgets and analyses, including carbon pricing

(1) Reporting to the Legal, Ethics and Compliance Department.

At the 2022 Annual Shareholders' Meeting, ENGIE was one of the first CAC 40 companies to consult its shareholders on its climate strategy, which was overwhelmingly approved (97%). In three years time, ENGIE will again present its updated climate strategy for an advisory vote at the 2025 Shareholders' Meeting.

[ESRS 2 GOV-3 13] The compensation policy for the Chief Executive Officer, the Executive Committee and senior executives includes criteria linked to the Group's climate targets (see Section 4.2).

In 2025, 7% of the Chief Executive Officer's variable compensation and 3.3% of the Executive Committee members' variable compensation was linked to the objective of reducing GHG emissions related to energy production and commodity sales.

In 2025, performance shares (long-term incentive compensation) to the Chief Executive Officer, the members of the Executive Committee and the Group's senior executives will be subject to climate criteria: 15% for all of the Group's GHG emissions, and 5% for installed renewable capacity, i.e., a total of 20%.

In accordance with applicable regulations, Board members' compensation does not include a variable component.

Policies related to climate change mitigation and adaptation [E1-2]

[E1-2 MDR-P a] The transition plan is available in Section 3.1.2.1.3, and details on the levers can be found in Section 3.1.2.1.4.

[E1-2 MDR-P b] Climate change mitigation and adaptation policies apply to the same consolidated scope as that used in the financial statements, i.e., controlled (fully consolidated) subsidiaries, joint operations and entities accounted for using the equity method (associates and joint ventures), upstream or downstream of the value chain.

The policies are global and cover all the geographical regions in which ENGIE operates. However, there are specific exclusions: trading activities and non-consolidated securities that are not considered material in terms of environmental impact.

[E1-2 23] Processes for managing the Group's material risks are described in Section 3.1.2.1.1 and those for delivering on objectives are described in Section 3.1.2.1.4.

[E1-2 25] The policy presented covers the following areas: climate change mitigation, energy efficiency, renewable energy deployment and climate change adaptation.

3.1.2.1.3 Transition plan [E1-1]

A climate change mitigation strategy based on three pillars

ENGIE'S 2045 NET ZERO CARBON TARGET

Reduce ENGIE's GHG emissions
First, reduce the direct and indirect GHG emissions resulting from ENGIE's activities by at least 90% compared to 2017.

+

Remove carbon up to the level of ENGIE's residual emissions
Then, increase the number of carbon sinks to neutralize the last residual emissions that are the most difficult to abate.

=

ENGIE'S 2045 NET ZERO CARBON TARGET

AND

Help customers avoid GHG emissions by deploying ENGIE's solutions
Support customers' decarbonization so they can reduce their GHG emissions.

[E1-1 14, 15] In line with its purpose, ENGIE has adopted a transition plan for climate change mitigation to ensure that its strategy and business model are compatible with the Paris Agreement, to contribute to achieving global carbon neutrality by 2050 and to limit its exposure to fossil fuels. It was updated in December 2024 and approved by ENGIE's Board of Directors.

ENGIE's decarbonization strategy is based on three pillars: "Reduce", "Absorb" and "Avoid", with Net Zero 2045 as a target across its entire value chain (Scopes 1, 2 and 3). All targets are presented in Section 3.1.2.1.4.

ENGIE's transition plan involves the transformation of some of its core businesses that pose material risks to the environment and the Company itself. For example, ENGIE sold its fossil fuel exploration and production (E&P) activities in 2017. In the same year, the Group also stopped selling coal. It now plans to phase out coal use in continental Europe by 2025 and globally by 2027, and intends to progressively reduce fossil gas by 2045. At the same time, ENGIE has reoriented its energy mix by investing massively in the development of renewable energies.

Emissions pathway

[E1-1 16a] The Group's various targets enable it to be on a pathway compatible with the Paris Agreement, as confirmed by the assessments of the Science Based Targets initiative (SBTi), the Transition Pathway Initiative and Moody's (see Section 3.1.2.1.4). Communication on this compatibility is complex due to the diversity of ratings and the lack of a benchmark shared by the entire international community.

Action plans

[E1-1 16b] To achieve its GHG emission reduction objectives, the Group has implemented a detailed climate change action plan, presented in Section 3.1.2.1.4 for mitigation and Section 3.1.2.1.5 for adaptation.

The Group's investments in implementing these action plans will mainly be financed through the issue of green bonds.

Investments

[E1-1 16c] Applying the technical alignment criteria of the European Taxonomy to the Group's growth CAPEX (see Note 5.6 of Section 6.2.2 "Notes to the consolidated financial statements"), investments allocated to the action plan amounted to €6 billion in 2024.

[E1-1 16e] ENGIE is committed to aligning all its investments with its decarbonization strategy and in particular its transition plan. The Group's growth CAPEX plan provides for investments totaling between €21 billion and €24 billion over the 2025-2027 period and is 82% Taxonomy-aligned.

[E1-1 16f] CAPEX devoted to gas-related economic activities amounted to €1 billion in 2024 and concerns the Networks and FlexGen GBU.

[E1-1 16d] Due to its activities, the Group is potentially exposed to locked-in GHG emissions, within the meaning of the Standard. This is particularly the case for its thermal power plants:

- the Group is committed to phasing out its coal activities completely by 2027, in the following order of priority: closure > conversion > sale. The major challenge is to achieve this early phase-out in a way that is fair and equitable for communities, regions and their energy networks. At the end of 2024, the Group had just 2 GW of residual coal-fired capacity;
- the transition is more gradual for gas-fired plants and does not require an early phase-out. In fact, the Group's strategy and climate targets are based on the legally imposed phase-out dates for these plants (2045 at the latest) and envisage only a partial renewal of the thermal fleet. In addition, all future assets will include an explicit plan for total decarbonization by 2045 (carbon capture, biomass, hydrogen). Reduction targets are therefore not at risk.

The Group also has potential locked-in carbon from its regulated gas networks (such as gas transmission and distribution), namely methane emissions associated with the operation of the relevant installations. ENGIE owns regulated entities whose assets it operates on behalf of certain governments (notably in France and Romania) that determine the decarbonization strategy. Total emissions from gas-fired facilities account for 0.6% of the Group's carbon footprint.

[E1-1 16g] ENGIE is below the thresholds of the exclusion criteria defined in the Paris Agreement Benchmarks, as indicated in Articles 12.1 (d) to (g) and 12.2 of European Commission Delegated Regulation (EU) 2020/1818 (Climate Transition Benchmarks).

Group processes

[E1-1 16h] To achieve its GHG emission reduction targets, the Group has embarked on a transformation that has enabled it to move from a reporting-based approach to one based on performance management, thus driving large-scale operational change. To this end, ENGIE has developed the following strategic and financial management tools.

1) **Definition of Group CO_2 targets:** ENGIE's management has set limits on the main GHG emissions contributors from its activities (electricity generation, fuel and energy sales). They are set as milestones throughout the Group's Net Zero Carbon pathway (2025 and 2030) and assigned to each Global Business Unit (GBU).
2) **Allocation and management of CO_2 budgets (linked to the financial plan):** since 2021, the Group has integrated non-financial elements into its Medium-Term Financial Plan (MTFP) allowing CO_2 budgets to be allocated. The GBU design their operational decarbonization strategies in such a way as not to exceed the set limits (budgets Y+1, Y+3 and beyond, 2030, 2035 and 2040). Since 2023, infra-annual monitoring of emissions has been carried out via a quarterly survey of certain GHG metrics. It is integrated into the managerial dialogue on operational and financial performance as part of the Quarterly Business Reviews (QBR).
3) **Integration of CO_2 into investment management:** all new investment decisions must be made in accordance with the carbon budgets allocated to the GBU. To this end, the Group has developed a CO_2 budget management tool similar to the CAPEX budget management tool. It allows the remaining CO_2 budget for the current year and the medium term to be monitored to avoid exceeding the limits set. In addition, a CO_2 price is integrated into the financial elements of the file. This is based on changes in carbon prices according to internal market decarbonization scenarios.

Focus on managing medium-term GHG targets

A granular projection model based on in-depth knowledge of the Group's operational performance

A projection to 2045 of the Group's energy production and sales activities via the consolidation of the following metrics:

- GHG emissions **(kt CO_2eq.)**
- Electricity and heat generated, consumed and sold **(MWh eq. elec)**
- Estimate of purchased goods and services and methane emissions
- Fuels consumed and sold **(MWh GCV)**
- Electricity capacity **(MW)**

based on Group-wide operating assumptions aligned with financial projections, combined with internal scenarios on market decarbonization;

at the level of each sales entity and each generation asset (based on their technology, load factors, country, consolidation methods, etc.).

A reliable management process that ensures the roll-out of the Group's Climate strategy:

1. **2025 and 2030 limits** – Aligned with the Group objectives and broken down by activity
2. **Annual projections until 2030** – In line with the three-year medium-term financial plan (MTP)
3. **Allocations of CO_2 budgets for year Y+1** – Allocated by activity
4. **Management of quarterly performance** – Via Quarterly Business Reviews (QBR)

CO_2 Medium-Term Business Plan (MTBP) updated every year

Governance

[E1-1 16i] Climate governance is presented in Section 3.1.2.1.2.

Progress on the action plan

[E1-1 16j] Progress on the mitigation action plan is presented in Section 3.1.2.1.4.

3.1.2.1.4 Climate change mitigation and energy transition matter [E1-3, E1-4, E1-7, E1-8]

Actions and resources in relation to climate change policies [E1-3]

[E1-3 26, 29] For each action, the scope of application is the consolidated scope as well as the entities accounted for using the equity method. Investments in the action plan are set out in Section 3.1.2.1.3.

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Time horizon [MDR-A 68c]
A1. Coal phase-out • End of coal-fired power generation by 2025 in continental Europe and 2027 globally, in the following order of priority: closure, conversion and sale of coal-fired power plants; • No coal sales since 2019.	Action taken in 2024	• Reduce GHG emissions	2027
A2. Reduce and decarbonize gas consumption and sales, while producing renewable and decarbonized gas • Produce biomethane (10 TWh by 2030) and hydrogen (4 GW by 2035); • Reduce the consumption of the gas-fired thermal power plants (reducing load factors and the installed base) and gas sales; • Decarbonize remaining gas-fired thermal power plants, mainly between 2030 and 2045 (biomass, biomethane, H_2, CCS); • Promote biomethane and hydrogen sales.	Action taken in 2024	• Reduce GHG emissions • Help customers avoid GHG emissions	2030 and 2045
A3. Decarbonize electricity and heat production, sales and consumption • Generate renewable electricity (95GW by 2030, including storage); • Produce renewable, low-carbon or recovered heat (20 TWh by 2030); • Sales of renewable and low-carbon electricity (300 TWh of electricity sales in 2030 (B2B and B2C)).	Action taken in 2024	• Reduce GHG emissions • Help customers avoid GHG emissions	2030 and 2045
A4. Support energy network transition • Transition existing gas networks: reduce methane emissions and inject biomethane (50 TWh connected by 2030); • Develop electricity transmission and distribution networks (10,000 km by 2030); • Develop energy supply flexibility: batteries and hydro-pumped storage (95 GW in 2030, including generation), and OCGT; • Develop low-carbon mobility networks and low-carbon technologies (desalination, heat pumps).	Action taken in 2024	• Reduce GHG emissions • Help customers avoid GHG emissions	2030 and 2045
A5. Help customers decarbonize their operations • Support the Group's customers in terms of energy efficiency, energy sobriety and energy demand flexibility (demand management, decentralized BESS).	Action taken in 2024	• Help customers avoid GHG emissions	2030 and 2045

Targets related to climate change mitigation [E1-4]

Presentation of targets

[E1-4 AR 31, 34] The Group has set itself the following targets:

	2017	2024	2024 coverage	GBU concerned	Decarbo-nization levers	2030	2035	2040
OVERALL GROUP TARGETS								
#1 Total GHG emissions, Scopes 1, 2 (location-based) and 3 *(in Mt CO_2 eq.)*[1]	265 Mt CO_2 eq.	157 Mt CO_2 eq. *-41% vs. 2017*	Total: 100% Scopes 1, 2, 3: 100%	ENGIE Group	All E1-3 levers	120/140	80/110	40/70
#2 Customer support: GHG emissions avoided by ENGIE offers and products *(in Mt CO_2 eq.)*	N/A	36 Mt CO_2 eq.	N/A	ENGIE Group	A2/A3/A5	65/85	N/A	N/A
GROUP SECTOR-SPECIFIC TARGETS								
#3 GHG emissions from energy production, Scopes 1 and 3.15 *(in Mt CO_2 eq.)* □□	107 Mt CO_2 eq.	48 Mt CO_2 eq. *-55% vs. 2017*	Total: 31% Scope 1: 93% Scope 3: 18%	Ren. & Flex Power and Local Energy Infra.	A1/A2/ A3/A5	26/36	16/26	7/17
#4 GHG emissions from commodity sales, (energy[2] and fuel[3]) and Scopes 3.3.D and 3.11 *(in Mt CO_2 eq.)*	104 Mt CO_2 eq.	82 Mt CO_2 eq. -21% vs. 2017	Total: 52% Scope 3: 61%	Mainly Supply & Energy Management	A1/A2/ A3/A5	63/83	37/57	12/32
#4.A of which emissions related to fuel sales, Scope 3.11 *(in Mt CO_2 eq.)*	of which 78 Mt CO_2 eq.	of which 53 Mt CO_2 eq. *-32% vs. 2017*	Total: 33% Scope 3: 39%			36/46	22/32	7/17
#5 Methane emissions from gas networks, Scope 1 (Mt CO2 *eq.)*	2 Mt CO_2 eq.	1 Mt CO_2 eq. -57% vs. 2017	Total: 1% Scope 1: 5%	Infrastructures	A4	-50% vs. 2017	N/A	N/A

	2017	2024	Date	Target
OTHER TARGETS				
Group Net Zero Carbon, Scopes 1, 2 and 3 *(Mt CO_2 eq.)*[1]	265 Mt CO_2 eq.	157 Mt CO_2 eq.	2045	90% reduction in emissions and neutralization of residual emissions
Neutralization of emissions relating to working practices *(Mt CO_2 eq.)*	N/A	0.32 Mt CO_2 eq.	2030	Neutralization of all residual emissions
Share of renewable capacity in the electricity production mix (at 100%, excluding energy storage)[4] □□	23%	43%	2030	58%/66%
Proportion of the top 250 preferred suppliers (excluding energy) certified by or aligned with the SBTi	N/A	44%	2030	100% of the top 250 suppliers

□□ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

(1) *Scope 1 and Scope 2 (location-based) GHG emissions verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

(2) *Energy: mainly electricity, but also heating and cooling.*

(3) *Fuel: mainly gas, but also biomass.*

(4) *To calculate this indicator, the Group consolidates the net capacity of all its production installations, with the exception of centralized solar and wind farms, which are reported in gross capacity. Capacity is expressed at 100%, including for equity accounting purposes. In addition, this indicator excludes all energy storage capacities (batteries or pumped storage). Nuclear capacity is not considered renewable.*

[E1-4 33] Targets are set through the annual update of GHG emission projections included in the medium-term financial plan. Targets are reviewed and, if necessary, updated every three years as part of the Group's commitment vis-à-vis the Shareholders' Meeting (Say On Climate).

The Group recently set a new target **#4** on the carbon footprint of commodity sales (Scope 3.3.D and Scope 3.11). This notably allows the GHG emissions associated with the production of electricity and heat purchased for resale to end customers to be taken into account, an emission item that is highly dependent on the decarbonization of grids and therefore less in ENGIE's control. In the interest of consistency with its commitment to support the electrification of uses, the Group retains the option of accelerating the reduction of gas sales in order to sell more electricity. Long-standing target **#4.A** on the carbon footprint of the use of sold products (fuel sales – Scope 3.11) is unchanged in order to ensure the commitment on gas sales.

[E1-4 34b, AR 23, AR 24] The GHG emission reduction targets cover 100% of ENGIE's GHG emissions assessment (Scopes 1, 2 and 3) in 2024. This assessment is aligned with the GHG Protocol methodology and has been audited in its entirety since 2024. Note that Scope 1 has been audited with reasonable assurance since 2013, and Scope 2 since 2021. In addition, these commitments are based on gross emission reduction targets and do not take into account carbon offsets or removals within ENGIE's value chain. The intensity targets are expressed in g CO_2 eq./kWh. The targets cover 100% of the Group's carbon footprint, Scopes 1, 2 and 3, as well as all types of GHGs (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3). Scope 2 targets should be considered on a location-based carbon accounting basis.

[E1-4 AR 25] 2017 emissions are gross and do not take normalization work into consideration (e.g., temperature effects). The Group restates the base year to maintain its representativeness:

- whenever emission factors are changed;
- whenever the methodology changes, source data permitting;
- with each individual acquisition or disposal where the volume of emissions is >5% of the base year.

The cumulative volume of disposals between 2017 and 2024 represented 30.5 Mt CO_2 eq., i.e., 12% of the Group's total emissions in 2017. Taking the emissions of the relevant divested installations for the year prior to their divestment, the cumulative amount of divestments represents 19 Mt CO_2 eq. or 7% of the Group's total emissions for the 2017 base year.

To date, only Scope 3 emissions related to purchases could not be restated for 2017 due to the application in 2024 of more granular emission factors and procurement categories than the previous ones (source data are not available with the granularity required to apply more finely tuned emission factors). By way of information, the impact of changes in emission factors and the granulometry of procurement categories has been estimated as a 43% reduction in the data published in 2023 for the total of Scopes 3.1 and 3.2 (from 8.9 Mt CO_2 eq. to 3.9 Mt CO_2 eq.).

Assessment of climate pathways

[E1-4 34e] ENGIE's GHG emission reduction targets are science-based and compatible with a 1.5°C or well-below 2°C pathway depending on the assessment. Steering pathways via the allocation of CO_2 budgets to the Group's GBU, in absolute terms and in terms of intensity, and taking them into account in investment decisions makes it possible to manage the risk of changes in the GHG emissions pathway associated with possible future developments. It should be noted that all the assessments presented below were carried out on the basis of the Group's previous climate objectives.

Details of SBTi certification: ENGIE's transition plan targets have been certified as "well below 2°C" by the SBTi since early 2023, following an initial 2°C certification in 2020. The targets for the 2017-2030 period are:

1) 66% reduction in carbon intensity related to energy production and consumption (Scopes 1 and 2). The formula is:

$$\textbf{Intensity} = \left(\frac{\underset{\text{energy production}}{\textbf{Scope 1}} + \underset{\text{location-based}}{\textbf{Scope 2}}}{\underset{\text{energy production in Scope 1}}{\textbf{volume}} \quad \underset{\text{consumed in Scope 1}}{\textbf{volume}}} \right)$$

2) 56% reduction in carbon intensity related to purchases and production of energy for resale (Scopes 1, 3.3.D and 3.15). The formula is:

$$\textbf{Intensity} = \left(\frac{\underset{\text{energy production}}{\textbf{Scope 1 \& 3}} + \underset{\text{Net energy sales}}{\textbf{Scope 3}}}{\underset{\text{Scope 1 \& 3 energy production}}{\textbf{volume}} \quad \underset{\text{Net energy sales}}{\textbf{volume}}} \right)$$

3) 32.5% reduction in other GHG emissions, including Scope 3 of purchases, fixed assets and upstream fuel and electricity chain (Scopes 3.1, 3.2, 3.3.A and B).

The reduction target for carbon intensity related to energy production and consumption (Scopes 1 and 2) set by ENGIE goes beyond the SBTi requirements, with a commitment of -66% versus -55%.

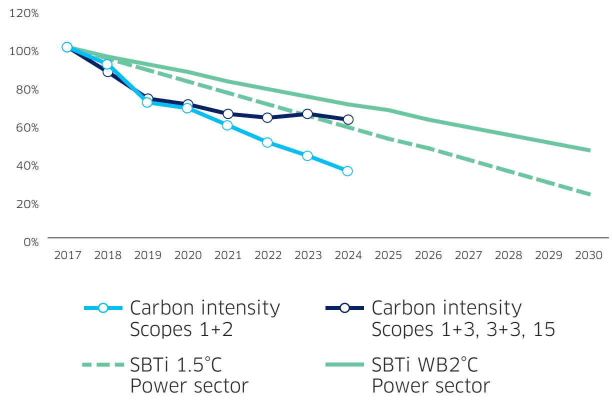
The progress report on the "well-below 2°C" certification targets is available below:

	Base year 2017	2024 results	2030 target
#1	304 g CO_2 eq. /kWh	-64% 107 g CO_2 eq./kWh	-66% 103 g CO_2 eq./kWh
#2	327 g CO_2 eq. /kWh	-38% 202 g CO_2 eq./kWh	-56% 143 g CO_2 eq./kWh
#3	132 Mt CO_2 eq.	-35% 86 Mt CO_2 eq.	-32.5% 89 Mt CO_2 eq.

Being 1.5°C aligned according to the SBTi's Power sector guidance would mean reducing the carbon intensity of the Group's energy production to 78% versus 66% currently over the 2017-2030 period. In such a short timeframe, a ratio of that nature would require the sale of many thermal plants in Europe, which, if closed, would jeopardize the security of the grid to which they are connected. They will therefore continue to emit greenhouse gases and ENGIE has decided not to sell these European assets in order to decarbonize them. ENGIE is in a position to decarbonize these assets thanks to its positioning in renewable gas technologies. In terms of energy sales, the 1.5°C pathway would require an increase in the reduction target for energy sales (electricity and heat) from 56% to around 80% between 2017 and 2030.

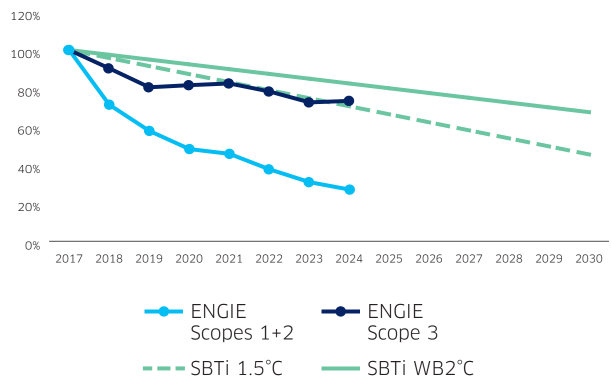
In 2024, the Group applied a methodological change to the calculation of targets to align it with market practice. This resulted in the revision of the conversion coefficient from thermal to electrical energy from 0.61 to 1. Emission factors have also been changed. For comparison with last year, the 2017 SBTi targets before these changes were 331 g CO_2 eq. /kWh (#1), 346 g CO_2 eq./kWh (#2) and 126 Mt CO_2 eq. (#3). The 2024 values presented take this development into account, as well as the energy production items presented in Section 3.1.2.1.6. Climate metrics with the [E1-5 39] reference.

SBTi Power sector guidance, GHG intensity ***(g CO_2 eq./kWh)***



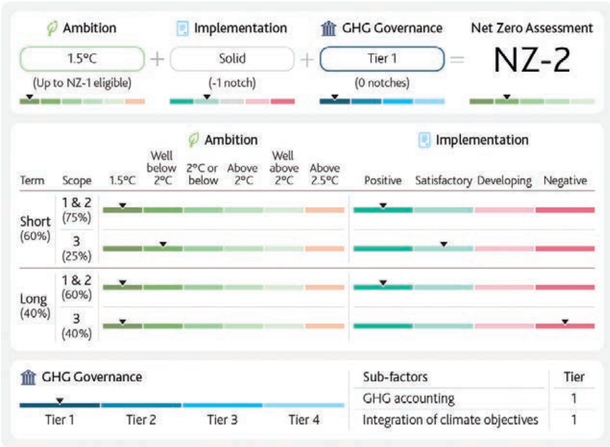
ENGIE belongs to both the Power and Oil & Gas sectors (for its networks and gas sales activities, which represent around 35% of the Group's total emissions in 2024), for which sector-specific guidance has not yet been published. In addition to the Power sector guidance, the Group meets the criteria for the cross-sector guidance – all sectors combined (reduction of 4.2% per year) – for a 1.5°C pathway.

SBTi cross-sector guidance, absolute GHG emissions ***(Mt CO_2 eq.)***



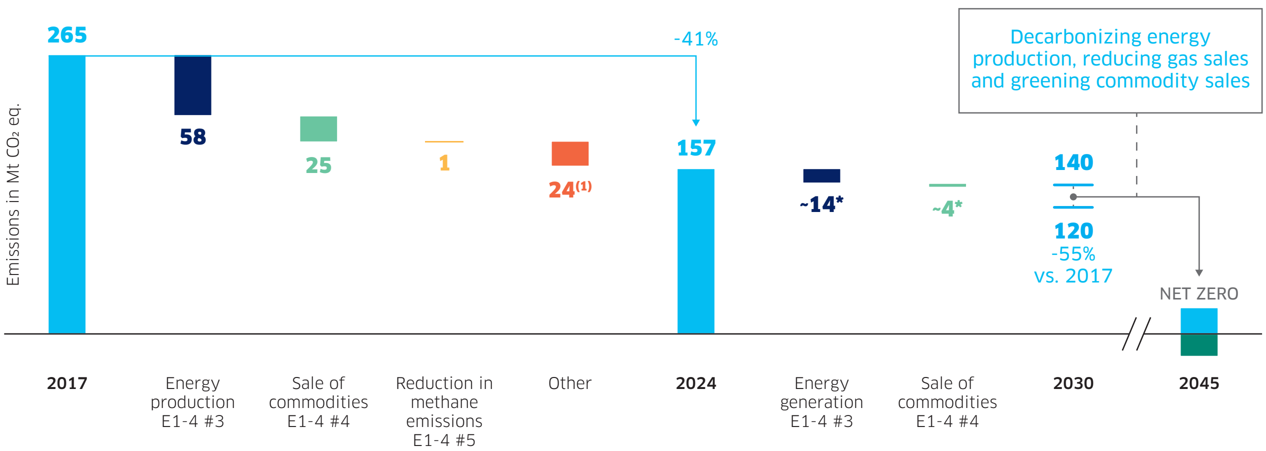
Transition Pathway Initiative assessment details: The Transition Pathway Initiative (TPI), a Climate Action 100+ partner, also considers the Group to be on a 1.5°C pathway for 2030 (analysis based on the International Energy Agency's net zero emissions scenario). Beyond 2030, the TPI considers ENGIE to be on a "well below 2°C" pathway. As with the SBTi, this alignment gap with the 1.5°C scenario stems from the fact that ENGIE is also part of the Oil & Gas sector whose Net Zero targets are for 2050 according to the International Energy Agency (IEA).

Moody's assessment details: Moody's assessed ENGIE's transition plan and assigned a rating of NZ-2, with an ambition aligned with a 1.5°C pathway and a 'solid' level on the implementation of objectives. A summary of the assessment is available below with the full report directly accessible on the Moody's website (https://ratings.moodys.io/products/nza).



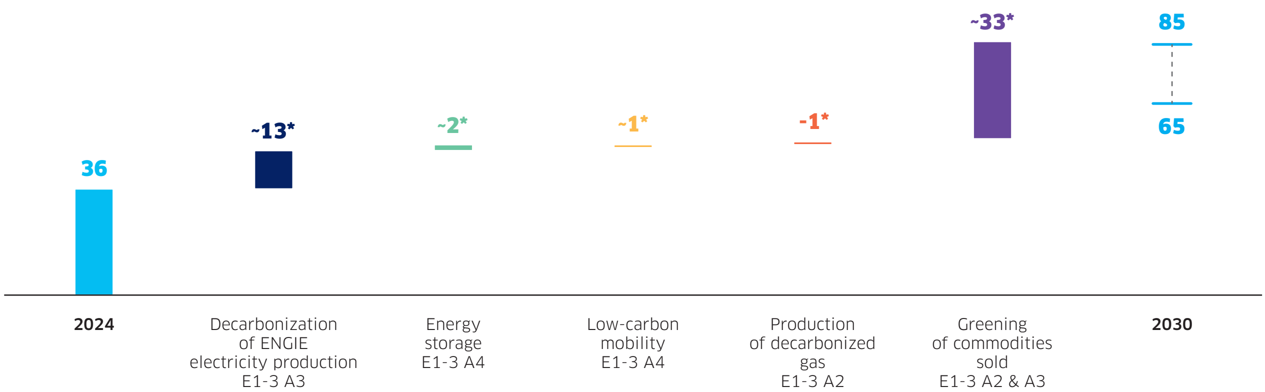
Progress report on targets

Target #1: change in total GHG emissions to 2030

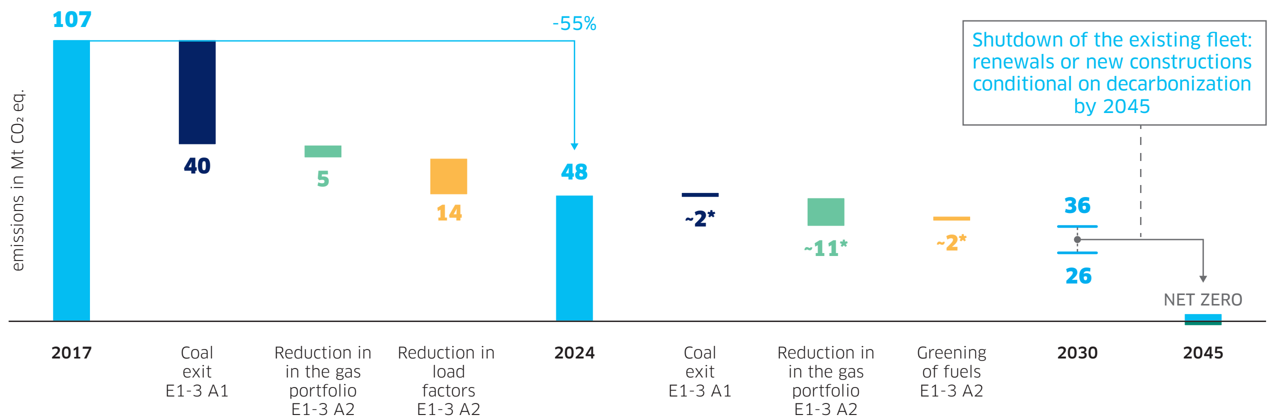


(1) *This change includes a reduction of 13 Mt CO_2 eq. in the upstream fuel purchase chain (category 3.3.A), as less coal and gas are consumed; of 12 Mt CO_2 eq. in the upstream products and services purchase chain (categories 3.1 and 3.2), as fewer purchase volumes and a change in methodology are involved; and of 1 Mt CO_2 eq. for Scope 1. It should be noted that this change includes a 3 Mt CO_2 eq increase in the production of electricity purchased for resale to end customers (3.3.D).*

Target #2: assessment of avoided emissions to 2030

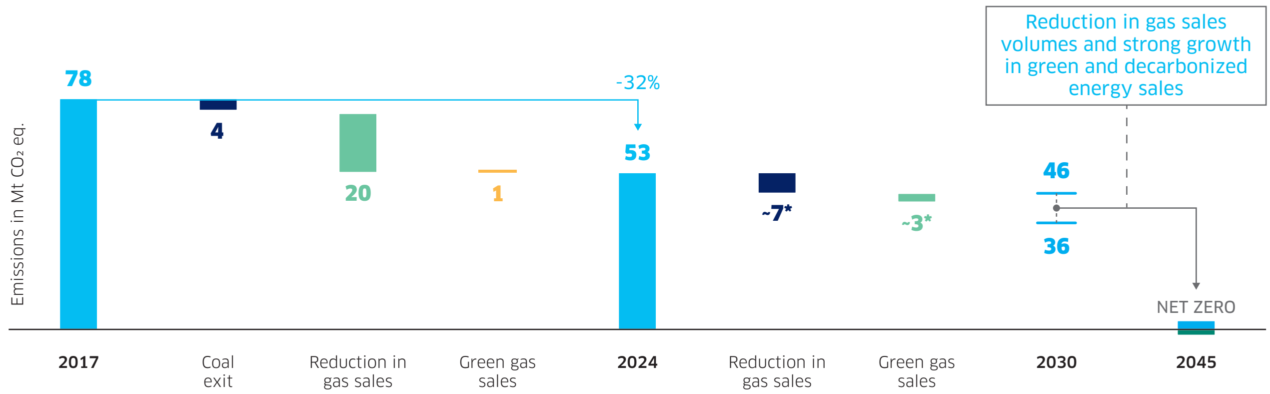


Target #3: change in GHG emissions related to energy production to 2030 (Scope 1 and Scope 3.15)



* *These data are forward-looking estimates, updated annually at the time of the Medium-Term Business Plan (MTP). They have no target value, and are shared as part of the Group's commitment to external transparency.*

Target #4.A: change in GHG emissions related to fuel sales (energy and fuel) to 2030 (Scope 3.11)



* *These data are forward-looking estimates, updated annually alongside the Medium-Term Business Plan (MTP). They have no target value, and are shared as part of the Group's commitment to external transparency.*

Non-material but important information for the Group

Target #5: reduce methane emissions from gas networks (Scope 1)

Methane emissions from gas networks account for approximately less than 1% of the carbon footprint (5% of Scope 1) and are therefore considered non-material. They relate to gas networks controlled or operated by the Group and are mainly due to venting safety procedures. The year 2024 marked a major step forward in Latin America, with the Group's entities Mejillones in Chile, TAG in Brazil and the DSO & TSO in Mexico joining OGMP 2.0 (Oil & Gas Methane Partnership, an initiative led by the United Nations Environment Program to minimize methane emissions and share an internationally recognized reporting framework). They joined the Group's French (GRDF, GRTgaz, Elengy, and Storengy) and Romanian (Distrigaz Sud Retele) entities already committed to this initiative.

In addition to the commitments made by these entities, ENGIE has set itself the overall target of reducing methane emissions from its consolidated global gas networks (transport, distribution, LNG terminals and storage) by 50% between 2017 and 2030.

Oil & Gas Methane Partnership 2.0 (OGMP) aimed at reducing methane emissions

GRDF	**CH_4 intensity[(1)] of 0.125%** by 2025
GRTgaz	**80% reduction in CH_4 emissions** in 2025 compared with 2016
storengy	**40% reduction in CH_4 in France; 45% reduction in the United Kingdom; 35% reduction in Germany** in 2025 compared with 2016
elengy	**30% reduction in CH_4 emissions** in 2025 compared with 2015
DISTRIGAZ SUD RETELE	**CH_4 intensity[(1)] of 0.093%** by 2028
mejillones	**40% reduction in CH_4** between 2023 and 2028
TAG ENGIE	**ENGIE Mexico is an OGMP member**

(1) CH_4 emissions/volume of gas distributed.

GHG removal and mitigation projects financed by carbon credits [E1-7]

Summary of targets

[E1-7 61] In May 2021, ENGIE committed to being Net Zero in its three scopes by 2045, first by reducing its GHG emissions by at least 90% and then by contributing to the growth of carbon sinks within and outside its value chain to neutralize its remaining emissions. The Group has also committed to being Net Zero in its working practices.

As a reminder, all GHG emission reduction targets are in terms of gross emissions (induced emissions separated from carbon removals). In general, the use of offsets will not jeopardize the achievement of emission reduction targets.

Proposed solutions

[E1-7 57] In the short term (2030), the Group will mainly use carbon credits from nature-based carbon sequestration solutions (e.g., afforestation, reforestation, regenerative agriculture or mangroves). Carbon credits use recognized standards (e.g., Gold Standard & Verra VCS) and apply the regulations in force in the countries where they are used. Several supply contracts are under discussion, but none have yet been signed.

In the longer term (2045), ENGIE's integration in the energy production value chain will lead it to rely primarily on negative emission technology solutions. Given its energy business, the Group will have access to very substantial volumes of biogenic CO_2. Examples include bioenergy-based carbon capture technologies (BE-CCS), such as the capture and sequestration of biogenic CO_2 in anaerobic digesters or in thermal power plants operating on biomass (biogas, biomethane or wood).

2024 results

[E1-7 56, 57, 58, 59] In 2024, the Group did not generate any carbon sequestration and storage in its operations or value chain. It did, however, cancel 1,721 t CO_2 in carbon credits for its own account. Significant volumes will start from 2030, to deliver on the Net Zero target on working practices.

The Group also cancels credits on behalf of its customers, often through offset product offerings. In such cases, the Group complies with all local regulations.

ENGIE's total carbon removal and associated reversal in 2024	**0 kt CO_2**
Total carbon credits used on behalf of ENGIE in 2024	**1,721 t CO_2**
of which carbon removal and similar credits	2.9%
of which avoided emissions credits	97.1%
of which recognized credits based on quality standards(1)	100%
of which credits issued in Europe	0%

(1) Gold Standard & Verra VCS, Label Bas Carbone, etc.

Internal carbon pricing [E1-8]

[E1-8 62, 63] The Group has two carbon pricing mechanisms, which are described below.

Allowance prices (particularly the EU ETS in Europe) are taken into account when modeling the evolution of the European energy system to 2050. These have a direct impact on the energy price forecasts that are central to all the Group's strategic, budgetary and investment decisions in Europe. In particular, for annual impairment tests on Group assets, recoverable amounts in the financial statements are determined based on future cash flow projections (see Note 13.4 of Section 6.2.2 "Notes to the consolidated financial statements"). These are based on energy price projections, which use the carbon price as a central assumption (spot value at December 31, 2024 of €73/t). The table below summarizes the proportion of Group emissions covered by EU ETS quotas.

EU ETS quota in 2024	
Coverage rate of gross Scope 1 GHG emissions	73%
Coverage rate of gross Scope 2 GHG emissions	0%
Coverage rate of gross Scope 3 GHG emissions	0%

The addition of an internal carbon contribution to finance future carbon removal is needed to reach the Group's Net Zero targets (from 2030). This will involve all the Group's consolidated entities, contributing financing in proportion to their Scope 1, 2 and 3 emissions. This contribution will begin from 2030 and will evolve according to the amount of carbon to be sequestered and the cost of carbon sequestration.

3.1.2.1.5 Climate change adaptation matter

Actions and resources in relation to climate change policies [E1-3]

[E1-3 26, 29] For each action, the scope of application is the consolidated scope as well as the entities accounted for using the equity method.

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Time horizon [MDR-A 68c]
A6. Ensure the Group's climate resilience at a strategic level Inclusion of climate risk in the Group's geographic and technological portfolio selection criteria (at national and local level)	Action to be taken in 2025	Improve the Group's climate resilience at a strategic level	2050
A7. Ensure local site resilience Climate risk analysis and implementation of adaptation plans where necessary for all new projects and existing sites (BD and ERM Adaptation processes)	Action taken in 2024	Improve the Group's climate resilience at a local level	2050

Targets related to climate change adaptation [E1-4]

[E1-4 AR 31, 34a, b, c, d] To address its material impacts, risks and opportunities with regard to climate change, the Group has set the following targets:

Targets related to the implementation of climate adaptation processes within ENGIE	Targets	Target time horizon
Percentage of existing sites to have been subject to a physical risks assessment	100%	2025
Percentage of existing sites subject to material climate risk with an adaptation plan	100%	2026
Percentage of new projects with Executive Committee and Board of Directors validation threshold incorporating climate risk analysis prior to investment decision	100%	2026

3.1.2.1.6 Climate metrics [E1-5, E1-6]

Energy consumption and mix [E1-5]

[E1-5 38] Information on energy consumption and energy mix is as follows:

Energy consumption and energy mix (Scope 1 and Scope 2)	2024
1) Fuel consumption from coal and coal products *(MWh)*	4,678,871
2) Fuel consumption from crude oil and petroleum products *(MWh)*	2,409,059
3) Fuel consumption from natural gas *(MWh)*	91,752,323
4) Fuel consumption from other fossil sources *(MWh)*	8,608,255
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources *(MWh)*	3,516,089
6) Total fossil fuel energy consumption *(MWh)*	**110,964,597**
Share of fossil sources in total energy consumption *(%)*	52%
7) Consumption from nuclear sources *(MWh)*	**87,394,100**
Share of consumption from nuclear sources in total energy consumption *(%)*	41%
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) *(MWh)*	8,375,517
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources *(MWh)*	4,976,179
10) Consumption of self-generated non-fuel renewable energy *(MWh)*	N/A
11) Total renewable energy consumption *(MWh)*	**13,351,696**
Share of renewable sources in total energy consumption *(%)*	6%
TOTAL ENERGY CONSUMPTION *(MWh)* ☐☐	**211,710,393**

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

[E1-5 39] The breakdown between renewable and non-renewable energy production is as follows:

	2024
Renewable energy production – Scope 1 *(MWh)*☐☐	90,697,048
Renewable energy production – Scope 3 *(MWh)*	14,929,885
Non-renewable energy production – Scope 1 *(MWh)*	100,558,973
Non-renewable energy production – Scope 3 *(MWh)*	73,014,628

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

[E1-5 40] Energy intensity on a net revenue basis is as follows:

	2024
Total energy consumption *(MWh)*☐☐	211,710,393
Revenues *(in millions of euros)*	73,812
Energy intensity based on revenues	2,868

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

Gross Scope 1, 2, 3 and total GHG emissions [E1-6]

[E1-6 44] The Group's climate targets are detailed in Section 3.1.2.1.4.

In Mt CO_2 eq.	2017	2024
Scope 1 GHG emissions☐☐	**80,489,233**	**21,947,533**
Energy production[1]	76,377,307	20,435,596
Gas networks	2,597,138	1,243,469
Methane emissions from gas networks	*2,252,850*	*960,448*
Other emissions from gas networks	*344,288*	*283,021*
Other activities	1,514,788	268,467
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	42%	73%
Scope 2 GHG emissions		
Scope 2 – Location-based ☐☐	926,480	502,325
Scope 2 – Market-based	N/A	808,754
Significant Scope 3 GHG emissions	**183,634,772**	**134,715,937**
3.1 Purchased goods and services	14,868,671	3,231,943
3.2 Capital goods	2,947,153	1,789,419
3.3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	58,046,707	48,902,239
Upstream fuel and electricity purchasing chain (3.3.A./3.3.B./3.3.C)	*32,010,577*	*19,519,425*
Production of energy purchased for resale to end customers (3.3.D)	*26,036,130*	*29,382,814*
3.6 Business travel	-	57,252
3.7 Employee commuting	-	69,553
3.11 Use of sold products (fuel sales)	77,635,767	52,583,063
3.15 Investments in equity method entities	30,136,474	28,082,468
Energy production[1]	*30,136,474*	*27,818,655*
Other activities	-	*263,813*
TOTAL LOCATION-BASED GHG EMISSIONS	**265,050,485**	**157,165,795**
TOTAL MARKET-BASED GHG EMISSIONS		**157,472,224**

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*
(1) *The "GHG emissions from energy production, Scopes 1 and 3.15 (in Mt CO2 eq.)" metric has been verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

Carbon intensity of energy production (Scope 1) is 106.8 kg CO_2 eq. per MWh eq. in 2024☐☐ [1].

[AR46j] The Group also emitted 3.4 Mt of biogenic CO_2 in 2024 (Scopes 1 and 3 combined).

(1) ☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

[E1-6 AR 54] GHG intensity on a revenues basis is as follows:

	2017	2024
Total location-based GHG emissions	265,050,485	157,165,795
Total market-based GHG emissions	N/A	157,472,224
Total revenues[1] *(in millions of euros)*	65,029	73,812
TOTAL LOCATION-BASED GHG EMISSIONS (T CO_2 EQ.)/REVENUES *(MILLIONS OF EUROS)*	**4,000**	**2,129**
TOTAL MARKET-BASED GHG EMISSIONS *(T CO_2 EQ.)/REVENUES (MILLIONS OF EUROS)*		**2,133**

(1) Based on revenues as presented in Note 7 of Section 6.2.2. "Notes to the consolidated financial statements".

Methodology used to calculate the Group's total GHG emissions

[AR 39a] The Group's GHG emissions calculation (Scopes 1, 2 and 3) relies on the principles, requirements and guidance of the GHG Protocol Corporate Standards (2004 version) and ISO 14064 (supplemented by ISO 14069).

[AR 39b] The key assumptions and methodologies used to perform the Group's GHG emissions assessment are described below for each of scope (1, 2 and 3).

[AR 39c] The Group's GHG emissions assessment includes emissions of the Kyoto Protocol greenhouse gases: CO_2, CH_4, N_2O and fluorinated gases.

[AR 39d] Global Warming Potential (GWP) compares the warming capacity of the various greenhouse gases to CO_2. The GWPs used to convert the Group's GHG emissions to CO_2 equivalent are the latest updated and published by the Intergovernmental Panel on Climate Change (IPCC), considered on a 100-year scale.

Perimeter

[AR 40] The perimeter of the Group's GHG emissions reporting is the perimeter of the Group's consolidated financial statements, i.e., controlled (fully consolidated) companies and joint ventures on a pro rata basis to the Group's share of ownership, excluding trading entities and securities of non consolidated companies, as they are not material in terms of environmental impact. This perimeter is supplemented by the contribution of entities accounted for using the equity method (associates and joint ventures). No cases have been identified in which ENGIE could have operational control according to the interpretation of the ESRS and the GHG Protocol, in entities not controlled by the Group.

[AR 41] The Group's GHG emissions break down for Scope 1 into emissions from energy production and emissions from gas networks, and for Scope 3 into emissions from fuel and energy activities and emissions from the use of sold products (fuel sales) related to the Group's activities.

Scope 1

Scope 1 emissions verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).

[AR 43a] The Group's Scope 1 GHG emissions include emissions from stationary and mobile combustion, process emissions and fugitive emissions. Emissions calculations are based on operating data on the different fuels consumed, as reported by the installations.

The Group carries out residual gas recovery services for its steel producing customer ArcelorMittal. This service allows ArcelorMittal to meet the majority of its electricity needs and thus reduce its GHG emissions by avoiding a high level of energy use by the network: 100% of emissions are inherent to the steelmaking process. At the end of this process, regulations require that steel producers burn residual gases, generally through flaring. The Group only intervenes in this process to extract energy that would otherwise have been lost to flaring, by taking over for ArcelorMittal in the burning of the residual gases, but without generating additional GHG emissions. This is why ArcelorMittal's reporting methodology includes direct emissions from external plants to which the residual gases are delivered for recovery. This state of affairs is confirmed by French Act No.2019-1147 of November 8, 2019 on climate and energy and the related decrees which set the greenhouse gas emissions ceiling for fossil-fueled power plants. Decree No. 2019-1467 of December 26, 2019 states that "Emissions from waste gases used in electricity production installations are not recognized." Consequently, the Group excludes these GHG emissions from its Scope 1 GHG emissions, while the DK6 power plants in France and the Knippegroen and Rodenhuize power plants in Belgium no longer report emissions associated with steel gases. As these are residual gases and not fuel with a supply chain, the Group does not include emissions from an upstream fuel chain in its Scope 3 emissions. With the exception of GHG emissions related to the combustion of steel gases, all environmental indicators for these entities are accounted for in the consolidated data, as well as their energy production which is included in the calculation of the Group's specific GHG emissions.

[AR 43b] The emission factors used are based on the most recent emission factors published by the IPCC (IPCC Guidelines for National GHG Inventories, Vol. 2 Energy – 2006).

[AR 43c] The Group's GHG emissions reporting includes biogenic CO_2 emissions resulting from the combustion or biodegradation of biomass, as well as emissions of other types of GHGs, notably CH_4 and N_2O.

[AR 43d] The Group's reported GHG emissions do not include purchased, sold or transferred removals or carbon credits, or GHG allowances.

[AR 43e] For activities falling within the scope of EU-ETS regulations, emissions reported under Scope 1 follow the same methodology.

[AR 44] In calculating the percentage of Scope 1 GHG emissions covered by the EU ETS regulations presented above, the Group:

- takes into account the GHG emissions of the installations it operates and which are subject to the EU-ETS regulations;
- includes emissions of CO_2, CH_4, N_2O and fluorinated gases;
- follows the same annual reporting periods for Scope 1 GHG emissions and emissions covered by the EU ETS;
- calculates the percentage using the following formula: (GHG emissions (in t CO_2 eq.) from installations subject to the EU-ETS regulations + national ETS + non-EU ETS)/(total Scope 1 GHG emissions in t CO_2 eq.).

Scope 2

Scope 2 location-based emissions verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).

[AR 45] For the assessment of Scope 2 GHG emissions, the Group:

- applies the principles, requirements and guidance of the GHG Protocol Corporate Standards (Scope 2 guidance document, 2015 version);
- includes purchases of electricity, steam, heat and cooling;
- excludes from Scope 2 any emissions reported in Scopes 1 and 3 to avoid double counting;
- applies the same principles to pumped storage facilities as to batteries, in accordance with the European Taxonomy recommendations. Accordingly, electricity consumption corresponds to the difference between electricity supplied by the network and that returned to the network. The latter, as a result, is no longer accounted for under the Group's electricity production;
- applies for Scope 2 the location-based method (quantification based on average emission factors of energy production for defined geographical locations) and the market-based method (quantification based on GHG emissions emitted by producers from which the Group contractually purchases either electricity bundled with instruments or contractual instruments alone);
- discloses biogenic emissions of CO_2 from the combustion or biodegradation of biomass separately from Scope 2 GHG emissions, where applicable;
- does not include any removals, or any purchased, sold or transferred carbon credits or GHG allowances in the calculation of Scope 2 GHG emissions.

Scope 3

[AR 46] For the assessment of Scope 3 GHG emissions, the Group:

- draws on the principles, requirements and guidelines of the GHG Protocol Corporate Value Chain (Scope 3) (Version 2011) and breaks down its total Scope 3 emissions into the 15 categories defined by the GHG Protocol;
- performs an annual reassessment of Scope 3 emissions for each reported category;
- identifies and discloses the significant Scope 3 categories in relation to the Group's total GHG emissions and according to the criteria defined by the GHG Protocol;
- excludes from the carbon footprint reporting presented for the Group the following Scope 3 GHG emissions categories as they are not significant compared with the total GHG emissions reported by the Group or because they are not relevant given the Group's scope of activities:
  - Scope 3.4 "Upstream Transportation and Distribution",
  - Scope 3.5 "Waste Generated in Operations",
  - Scope 3.8 "Upstream Leased Assets",
  - Scope 3.9 "Downstream Transportation and Distribution",
  - Scope 3.10 "Processing of Sold Products",
  - Scope 3.12 "End-of-Life Treatment of Sold Products",
  - Scope 3.13 "Downstream Leased Assets",
  - Scope 3.14 "Franchises";
- provides the source data used:
  - Scope 3.1 "Purchased goods and services" and Scope 3.2 "Capital goods": these two categories are the only ones without primary data (3.7% of Scope 3). They are calculated on the basis of expenses recorded in the financial statements for the reporting year.
  - Scope 3.3 "Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2)": this category includes "Upstream emissions of purchased fuels and electricity (3.3.A., 3.3.B. and 3.3.C.)" and "Generation of purchased electricity that is sold to end users (3.3.D.)".
    - For "upstream emissions of purchased fuels and electricity": the Group uses all volumes of fuels consumed or sold by consolidated entities (Scope 1 combustion and category 3.11 use of sold products); as well as all volumes of energy consumed or lost by consolidated entities (Scope 2).
    - For "Generation of purchased electricity that is sold to end users (3.3.D.)": the Group uses all volumes of energy (electricity, heating, cooling) sold to end-users, distinguishing between the types of commodities (renewable, decarbonized or from the grid). To avoid double counting with GHG emissions related to energy production, country-by-country netting is performed to limit reporting to emissions related to the sale of energy not produced by Group installations.

  - Scope 3.6 “Business Travel”: related GHG emissions (air or rail travel) are calculated either on the basis of GHG emissions data supplied by the carriers concerned or on the basis of estimated data if the carriers’ emissions data are not available. The Group’s main service provider has changed the emission factors used in 2024 for the domestic, short-haul and long-haul flight categories, resulting in a significant increase in emissions related to air travel within its scope. The data collected covers 97% of Group employees excluding GEMS. For GEMS, the data is extrapolated, as the reporting only covers 73% of employees in this perimeter.
  - Scope 3.7 “Employee Commuting”: related GHG emissions concern the energy consumption of the various means of transportation used by employees to commute to and from work (excluding company-owned vehicles, for which related GHG emissions are counted in Scope 1). These emissions cannot be accurately measured, and calculations are based on estimates made either from data collected on employees’ travel habits (mode used and distance) or from averages based on benchmarks. For 2024, the data collected to estimate commuting covers approximately 70% of the Group scope. The data collected has therefore been extrapolated to be representative of the entire Group perimeter.
  - Scope 3.11 “Use of sold products (fuel sales)”: the Group uses the volumes of fuels (gas, biomethane, biomass) sold to end-users.
  - Scope 3.15 “Investments”: this category includes Scope 1 and Scope 2 emissions from entities consolidated for using the equity method (associates or joint ventures). Their emissions are reported proportionally to their percentage of consolidation in the Group’s financial statements;
- specifies below the emission factors used:
  - For fuel and technology life-cycle assessments (LCA), the ecoinvent 3.9 database, except in the following cases (i) for blue and green ammonia, emission factors taken from the Sphera database (1st Life Cycle GHG Emission Study on the Use of Ammonia as Marine Fuel – Sphera 2024 (https://sphera.com/resources/report/1st-life-cycle-ghg-emission-study-on-the-use-of-ammonia-as-marine-fuel/)), (ii) for 1G biomethane, emission factors adapted from the Biogenic Emission Factors database and (iii) for grey, blue and green hydrogen, natural gas, syngas and 2G biomethane, emission factors taken from data from the CRIGEN laboratory (the Group’s research department) based on life-cycle assessments,
  - For energy (electricity, heating, cooling) purchased for consumption or resale: use of the emission factors described above and production volumes by country communicated by local carriers (e.g., ENTSO-E for Europe). For purchased heat: use of emission factors provided by FEDENE (Federation of Energy and Environment Services),
  - For purchased goods and services: use of emission factors applied on a case-by-case basis to expenditures by purchasing category. The emission factors used for 2024 reflect work to fine-tune the methodology used in previous years. The number of emission factors used has increased significantly, as has their granularity. At this stage, most remain generic emission factors or combinations of generic emission factors, a sign of the low maturity of the supplier market (few of which have yet conducted detailed carbon analysis of their goods).

[AR 47] To determine the total GHG emissions presented above, the Group applies the following formulas:

Total location-based GHG emissions *(t CO_2 eq.)* = **Gross Scope 1** + **Gross Scope 2** location-based + **Gross Scope 3**

Total market-based GHG emissions *(t CO_2 eq.)* = **Gross Scope 1** + **Gross Scope 2** market-based + **Gross Scope 3**

Methodology used to calculate the Group’s avoided GHG emissions

Emissions avoided by using ENGIE’s products and services are calculated based on the principles of the GHG Protocol and the World Business Council for Sustainable Development (WBCSD) guidance published in 2023. These avoided emissions relate to the production of low-carbon energy and green gas, sales of green commodities (gas and electricity) and low-carbon mobility services. Avoided emissions for a product/service are calculated annually based on the difference between the GHG emissions of the ENGIE product and the average of equivalent solutions available on the market.

3.1.2.2 Managing nature-related matters [E2, E3, E4, E5]

3.1.2.2.1 Governance of relevant matters

[MDR-P] [ESRS 2 GOV-1, GOV-2]

Governance of nature-related matters (pollution, water, biodiversity, circular economy and natural resources) is outlined in the diagram below.

NATURE-RELATED GOVERNANCE MOBILIZING MANAGEMENT BODIES

(1) Reporting to the Legal, Ethics and Compliance Department.

3.1.2.2.2 Industrial pollution [ESRS E2]

Introduction [ESRS E2 IRO-1, E2-6]

Material IROs [ESRS E2 IRO-1]

Regarding pollution, consolidated analysis at Group head level identified the following material IROs:

- **Negative impact (E2-I1):** pollution of soil and water with an impact on human health or ecosystems as a result of direct or value-chain operations;
- **Negative impact (E2-I2):** pollution of air, soil and water in the value chain, including in areas where raw materials are extracted, endangering human health and ecosystems;
- **Negative impact (E2-I3):** pollution of air generated by smoke emissions from thermal power plant combustion (NO_x, SO_x, particulate matter and other), liable to impact human health and ecosystems;
- **Positive impact (E2-I4):** needs for ground surface on which to install solar, wind, battery or hydrogen power systems can prompt the reclamation of polluted land and generate income for restoration efforts;
- **Risk (E2-R1):** risk to the Group's reputation in the event of accident or poor management of pollution problems;
- **Risk (E2-R2):** risk of fines, penalties, compensation, or even slowdown in activity or loss of operating licenses in the event of non-compliance with industrial pollution regulations or impact on the health of local communities;
- **Risk (E2-R3):** Weakening or interruption of the supply chain or production operations if partners prove unable to comply with environmental requirements.

The types of pollution and associated sites are:

	Main pollutants emitted	Types of potentially impacting sites
Air pollution	• Nitrogen oxide • Sulfur dioxide • Particulate matter • to a lesser extent, mercury	• Combustion power and heat production units
Pollution of water	• Temperature variation • Traces of disinfectants (chlorine, salts)	• Thermal power plants • Desalination plants • LNG terminals • Heat production units
Pollution of soil	• Polycyclic aromatic hydrocarbons (PAHs)	• Former gas production plants

Policy in place [E2-1] [MDR-P]

[E2-1 15a, AR11] The Group has adopted an anti-pollution policy to reduce and control the risks of pollution (air, water, soil) associated with its activities and value chain, with the aim of protecting people and ecosystems.

The policy includes approaches on:

- pollution prevention;
- the control process;
- incident and emergency management.

Prevention, reduction and control [ESRS E2-1 15 a]

To minimize the risk of air, water and soil pollution, ENGIE applies safety protocols and risk management strategies, including preventive maintenance and the use of best available techniques. These actions are underpinned by operational practices that enable the Group to avoid, control and monitor pollutant emissions. When emissions into the air, water and soil cannot be avoided, they are reduced for example by means of fume filtration systems, pre-discharge water treatment or ground sealing systems.

ENGIE endeavors to identify potential air, water and soil pollution generated by players upstream of its value chain through LCAs, to assess, for example, potential pollution in raw material extraction zones, which are often sources of environmental impact. This approach provides an overall vision of environmental impacts and a better understanding of the complete ecological footprint of the Group's activities, from raw materials production to product and service end-of-life.

Incident and emergency management [ESRS E2-1 15 c]

In the event of an emergency, detailed response procedures are in place, with specialized teams and management plans addressing each particular type of pollution. Regular training reinforces the Group's ability to manage such situations effectively.

If an incident occurs, immediate action is taken to limit its impact. This includes informing the affected communities, reducing emissions, and decontaminating the site. After an incident, ENGIE conducts investigations to determine the causes, repair any environmental and health damage, and implement corrective measures to avoid future incidents.

	Anti-pollution policy
Scope of application [MDR-P 65b]	The policy applies to all Group activities, and to the upstream chain. It covers consolidated financial reporting entities.
Management level responsible for implementation [MDR-P 65c]	The Group's anti-pollution policy is implemented by the Group's ESG Department.
Relevant third-party standards or initiatives [MDR-P 65d]	ENGIE is a founding member of CITEPA's Cross-Border Pollution Forum. ENGIE complies with international and local regulations on pollution by monitoring emissions in all its activities. ENGIE complies with the European Union's Directive on Industrial Emissions, which sets strict limits on pollutant emissions from industrial installations.
How the policy is made available [MDR-P 65f]	The policy is public and available on the ENGIE website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE - Anti-pollution Policy.pdf

Actions [E2-2]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Inclusion of air, water and soil pollution matters in project development	Action taken in 2024	Reductions in NO_x, SO_2 and particulate matter air emissions Prevention of and reductions in water and soil pollution	All Group industrial entities	Permanent
Improvements in diagnosis/inventory of air, water and soil pollutants linked to industrial processes	Action forthcoming	Improved understanding of substances to be monitored	All Group industrial entities	2026
Remediation of former gas production plants	Action taken in 2024	Refurbishments and disposals completed	Former gas production plants in the Group's portfolio	2026

[E2-2 AR 18] [MDR-A 69] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the type of project or site. In practice, the main costs incurred in implementing the action plans mentioned below are: external engineering expenses, the installation of filtration systems for air pollutants, pollutant monitoring and measurement, pre-discharge water treatment, soil remediation, and damage repair in the event of accidental pollution.

[E2-2 18] In 2024, in France, the Group carried out soil remediation work at former gas production plants to clean up the sites concerned. For example, at the Coudekerque site, the Group scheduled soil remediation work to be carried out from September 2023 and February 2024. The main pollutants were PAHs (polycyclic aromatic hydrocarbons), THCs (total hydrocarbons), benzene and total cyanides.

Targets and KPIs [E2-3, E2-4]

Air pollution

Measurements and estimates: NO_x, SO_x and particulate matter emissions are calculated locally by taking measurements. If discontinuous measurements are taken on a site, an average of the measurements over the last five years is taken where possible to avoid inconsistencies related to one-off measurements.

Targets: [MDR-T] [E2-3 22] Since 2022, ENGIE has set itself voluntary targets for reducing atmospheric pollutant emissions by 2030. These objectives have now been achieved, or are close to being achieved, and the Group needs to think about defining new targets in line with its business model and IROs.

Pollutant	2030 target	Nature and description of target	Base year	Baseline value	2024 reporting	Percent reduction vs. base year	Corresponding IROs
Nitrogen dioxide (NO_x)	-75%	Reduction in nitrogen oxide emissions	2017	92,209t	23,223t	-75%	E2-I1, E2-I3, E2-R1, E2-R2
Sulfur dioxide (SO_2)	-98%	Reduction in sulfur dioxide emissions	2017	159,623t	2,859t	-98%	E2-I1, E2-I3, E2-R1, E2-R2
Particulate matter	-60%	Reduction in total particulate matter emissions	2017	7,353t	2,636t	-64%	E2-I1, E2-I3, E2-R1, E2-R2

Target setting methodology:

- **[E2-3 23]** Targets for reducing emissions of NO_x, SO_x and PM into the air are part of ENGIE's commitment to the prevention and control of atmospheric pollutants. Reducing NO_x helps combat air pollution, by reducing acidification, eutrophication and smog formation. Reducing SO_x helps to prevent acidification of the atmosphere, responsible for acid pollution and acid precipitations, which can seriously affect soils and aquatic ecosystems. As well as affecting air quality, particulate matter in the atmosphere can be a cause of respiratory problems, so control here is an essential factor in improving public health.
- **[MDR-T 80f]** Targets are calculated based on the pathway set in the CO_2 medium-term plan. They concern thermal power production and gas activities.
- **[MDR-T 80g]** Targets are set with the GBU, on the basis of peer-to-peer exchanges, the demands of international standards (regulations, TNFD, SBTN), and questions from rating agencies (Moody's, S&P).

KPIs: [E2-4 28a] Air emissions are:

	Total results for 2024	2024 results according to E-PRTR* thresholds	Unit
Nitrogen dioxide (NO_x)	23,223	18,301	t
Nitrogen dioxide emission intensity ratio for energy production	0.121		t/GWh
Sulfur dioxide (SO_2)	2,859	1,868	t
Sulfur dioxide emission intensity ratio for energy production	0.015		t/GWh
Total particulate matter	2,636	1,507	t
Particulate matter emission intensity ratio for energy production	0.014		t/GWh
Mercury	107	31	kg
Mercury emission intensity ratio for energy production	0.0006		kg/GWh

* *E-PRTR: European Pollutant Release and Transfer Register.*

Values reported according to CSRD requirements are those meeting E-PRTR thresholds.

Measuring systems:

- **[E2-4 30b]** The Group uses continuous emission monitoring (CEM) systems to track the levels of air pollutant emissions from combustion plants in real time. Continuous data collection on pollutant emissions ensures compliance with environmental regulations. The Group also uses Predictive Emissions Monitoring (PEM) systems applying operational parameters to reliably estimate emissions levels.
- For sites subject to European regulations, measurement frequencies and methods comply with the directive on industrial emissions and the recommendations in BREFs (EU Best Available Techniques Reference Documents). Outside the European Union, measurement frequencies and methods comply with local regulations.
- **[E2-4 30c]** Data on air pollutants are collected annually as part of the Group's environmental reporting for all controlled (fully consolidated) subsidiaries whose activities are relevant for the measurement of environmental impacts. If data are not available at the time of reporting, estimates are made based on the best information available at that time.

Water pollution

Target: [MDR-T] A review is underway on setting targets for water pollutants.

Measurements:

- **[E2-4 30]** Concerning pollutants emitted into water, the Group monitors the physical-chemical parameters in discharged water by continuous measurements or spot sampling, depending on the site and the parameters in question. For example, discharge water temperature is monitored continuously, while heavy metal concentrations are measured on a spot-sampling basis in compliance with operating permits and current standards.
- **[E2-4 28a]** Data on pollutants emitted into water are collected locally. An action plan is underway to consolidate the data at Group level.

Pollution of soil

Target: A review is underway on setting targets for soil pollution.

Measurements:

- **[E2-4 28a]** With the exception of former gasworks, the quantities of pollutants in the soil are negligible, and chiefly the result of accidental pollution. In 2024, there was no accidental pollution leading to significant quantities of pollutants in the soil.
- **[E2-4 30b]** Measures and associated methodologies are adapted to the circumstances (type of pollutant, activity, etc.), whether the soil pollution is accidental or the result of a past pollution episode. An action plan is drawn up to identify the measures to be implemented.

- At former gas production plants, thorough soil analyses were carried out by external consultants in 1990 to determine the exact nature of the pollution. The results indicate the stability of pollutants for former gas production plant tracer parameters. Since 2019, all gasworks remaining within the Group's scope have again been analyzed, with follow-up measures taken wherever recommended by the consultancies on the basis of their findings. These measures may include groundwater monitoring at the site.

Anticipated financial effects [E2-6]

[E2-6 40b AR 31] In 2024, no major incidents, of either physical or financial impact, were identified.

3.1.2.2.3 Water [ESRS E3]

Introduction [ESRS E3 IRO-1]

For water, the material IROs identified following a consolidated analysis at the head of the Group are:

- **Negative impact (E3-I1):** significant use of fresh water to cool thermal and nuclear power plants and operate methane terminals;
- **Negative impact (E3-I2):** high water consumption for raw materials extraction, including fuels;
- **Risk (E3-R1):** slowdown, stoppage or reduction in profitability owing to constraints on the operation of production sites and industrial activities caused by water shortages, unsuitable river temperatures, conflicts over water use, usage restrictions and tighter regulatory requirements;
- **Risk (E3-R2):** fines and penalties for non-compliance with water use regulations;
- **Opportunity (E3-O1):** growing demand for desalination projects that meet high environmental standards.

[E3-1 11, AR16-18] The main ENGIE processes having impacts on fresh water (surface water, ground water, rainwater, water from third-party sources) are:

- water withdrawals for all activities;
- consumption for cooling thermal power plants and industrial processes;
- the use of water for hydroelectric power production and pumped storage;
- water use during site construction;
- water discharges from power plants.

The Group is therefore dependent on the availability of freshwater resources and associated ecosystem services.

In the upstream value chain, the impact on water resources is mainly linked to the extraction of raw materials and transformation processes.

Policy in place [E3-1] [MDR-P]

The Group's water management policy includes:

- assessment of water-related risks and opportunities right from the project phase;
- local actions with the stakeholders involved to mitigate the impact on freshwater resources and develop innovative approaches in line with the logic of the avoid-reduce-compensate sequence;
- assessment of water footprint of activities across the entire value chain.

[E3-1 12a, AR 16-18] The policy covers freshwater matters with regard to resource use, water treatment, pollution prevention and reduction, water stress and regulations. Requirements are even more stringent on sites in water-stressed areas. The policy also covers the upstream part of the value chain, including water-related matters for raw materials extraction and fuel production.

[MDR-P]	Water management policy
Scope of application [MDR-P 65b]	The policy applies to all Group activities, and to the upstream chain. It covers consolidated financial reporting entities.
Management level responsible for implementation [MDR-P 65c]	The Group's water management policy is implemented by the Group's ESG Department.
Relevant third-party standards or initiatives [MDR-P 65d]	• Compliance with international and local water regulations • Founding member of the CEO Water Mandate, and commitment to the Water Business call to action • Respondent to CDP Water Security questionnaire • Commitment to BAFWAC (Business Alliance for Water and Climate) • Support for the OECD Water Governance Initiative
How the policy is made available [MDR-P 65f]	The policy is public and available on the ENGIE website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE - Water and Oceans Policy.pdf

Focus on water-stressed areas:

[E3-1 12b, AR 16-18] [E3-1 12c, AR 16-18] The Group undertakes to:

- identify industrial sites subject to water stress: Every year, the Group's ESG department assesses water-related risks using the Aqueduct tool (World Resource Institute), with results made available to operational teams via a dedicated platform. For sites in areas of extreme or high water stress, local analysis is carried out by operational teams, who draw up action plans where appropriate, using an approach similar to that set in the Alliance for Water Stewardship standards, i.e., at site and watershed level, covering operational, regulatory and reputational aspects, and allowing for stakeholder and local context factors. In 2024, 152 sites were located in extreme water stress areas and 94 in high water stress areas. Seven of the sites in extreme water stress areas have significant freshwater requirements (freshwater consumption in excess of 100,000 m^3/year) and have implemented action plans to reduce pressure on water resources;

- draw up action plans in consultation with watershed stakeholders for all sites located in areas of high and extreme water stress to reduce their freshwater consumption and boost their resilience.

The presence of sites in water-stressed watersheds can also give rise to business opportunities, particularly in the context of water sharing. For example, in Chile, one of the thermal power plants located in an area of extreme water stress, which uses seawater, resells the desalinated water from its processes to a mine located in the middle of the desert, thus enabling it to limit its impact on freshwater resources. In 2024, 30,921,000 m^3 of water were sold to this third party.

Actions [E3-2]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Identify and carry out actions to reduce freshwater consumption at existing sites	Action taken in 2024	Freshwater consumption to energy production ratio of 0.1 m^3/MWh, which is 70% down on 2019	Industrial entities in consolidated financial reporting	2030
For each new project under examination, analyze the water management risks and opportunities, and identify actions to be taken in line with the avoid-reduce-compensate approach	Action taken in 2024	Reduction in the quantity of water consumed and the impact of discharges into watercourses (physical-chemical modifications, disruption of ecosystems, etc.)	New Group projects	Ongoing
Water-stressed sites: run action plans to help reduce pressure on freshwater resources at watershed level	Action forthcoming	Implementation of solutions to reduce freshwater use, in consultation with local stakeholders	Industrial entities in consolidated financial reporting	2028

[E3-2 AR 21] [MDR-A 69] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the type of project or site. In practice, the main costs incurred in implementing the action plans mentioned below are: external consultancy expenses, installation of rainwater recovery systems, leak detection and repair, and contribution to collective actions in the catchment area.

Focus on specific collective actions [E3-2 AR 20]

In all the areas where it operates, ENGIE works with local stakeholders and other players to help identify collective actions, improve water resource management and governance at watershed level, and thereby anticipate and reduce potential conflicts of water use and the associated physical and regulatory risks.

In Mexico, for example, the Group has developed a project to help preserve fresh water in a watershed suffering from extreme water stress.

Targets and KPIs [E3-3, E3-4]

Targets: [MDR-T] [E3-3] ENGIE has set voluntary targets for 2030 to reduce pressure on freshwater resources.

Nature and description of target	2025 target	2030 target	Baseline value	Base year	2024 reporting	Progress on base year	Corresponding IROs
Reduced freshwater consumption for energy production	0.150 m^3/MWh	0.100m^3/MWh	0.310m^3/MWh	2019	0.239m^3/MWh	-23%	E3-I1, E3-R1, E3-R2
Reduced freshwater withdrawals for energy production	9.3m^3/MWh	3.6m^3/MWh	12.95m^3/MWh	2019	9.44m^3/MWh	-27%	E3-I1, E3–R1, E3-R2

Target setting methodology [MDR-T]

- **[MDR-T 80g]** Targets are set with the GBU, on the basis of peer-to-peer exchanges, the demands of international standards (regulations, TNFD, SBTN), questions from rating agencies (CDP, S&P) and exchanges with investors. The target on freshwater consumption for energy production is included in the act4nature international commitments. It was therefore reviewed by the act4nature review committee when the commitments were submitted.
- **[E3-3 23c]** These objectives are closely aligned with the Group's asset portfolio development strategy. The shift in energy mix contributes to reducing water intensity as well as decarbonizing production.
- **[MDR-T 79]** These objectives respond to the identified risk of slowdown, stoppage or reduction in profitability following constraints on the operation of production sites and industrial activities owing to water shortages, unsuitable river temperatures, conflicts of use, restrictions on use and stricter regulatory requirements, and also to the impact linked to the significant water requirements of thermal power plants and LNG terminals.
- **[MDR-T 80i, AR 24-26]** For consistency with current practices, the thermal/electrical conversion ratio was brought to 1 in 2024: 1 MWh thermal = 1 MWh electrical (vs. 0.61 previously). Calculation of the water target ratio was updated accordingly, and the value for the 2019 base year changed from 0.332 to 0.310 for consumption and from 13.88 to 12.95 for withdrawals.

KPIs: **[E3-4 28a, 28b, 28c, 29]** Water performance monitoring results are:

	2024 results	Unit
Total water consumption	59,832,379	m^3
Water consumption in water-stressed areas	33,388,535	m^3
Water recycled and reused	9,407,124	m^3
Water intensity to energy production ratio	0.239	m^3/MWh
Water intensity to revenues ratio	810.6	m^3/€ millions
Water stored	11,548	Mm^3
Variation in stored water quantity	2,471	Mm^3

Measuring systems:

- **[E3-4 28e, AR 29]** Water volumes are measured on-site using volumetric meters or, failing that, estimated on the basis of technical data such as water flow rate. The share of estimated water volumes is not available at consolidated level.
- **[E3-4 28b]** Water volumes in water-stressed zones, sites in high and extreme stress zones are taken into account. As specified by the World Resource Institute, water volumes for sites located in arid zones with low water use are assimilated to those for sites located in zones of extreme water stress.
- **[E3-4 28d]** Stored water corresponds to the volume of water in reservoirs at dams and pumped storage sites.

[E3-3 22, 23a] Targets and KPIs are monitored to measure the effectiveness of actions and implementation of the policy on reducing pressure on water resources, covering IROs relevant to the Group's direct operations in terms of water consumption and the risk of slowdown, stoppage or reduction in profitability owing to constraints on site operations. Specifically, the KPI on water consumption in water-stressed areas gages the efforts made by sites to reduce pressure on the resource.

3.1.2.2.4 Biodiversity and ecosystems [ESRS E4]

Impacts, risks and opportunities [SBM 3] – [IRO-1]

Reminder on identified IROs

The Group has identified and assessed the material impacts, risks and opportunities of its activities on biodiversity and ecosystems on a consolidated basis at Group level, applying the double materiality assessment methodology outlined in Section 3.1.1.4 [ESRS 2 IRO-1 17 a].

- **negative impact (E4-I1):** Impact of construction sites on habitats, flora and fauna (terrestrial and aquatic ecological continuity/land artificialization);
- **negative impact (E4-I2):** Disturbance of terrestrial and aquatic environments/land artificialization, related to the operation of industrial sites (including offshore wind farms, etc.);
- **negative impact (E4-I3):** Destruction of biodiversity at raw materials extraction and processing sites throughout the Group's value chain;
- **positive impact (E4-I4):** Implementation of carbon sequestration projects with a positive impact on biodiversity and ecosystems (Nature-Based Solutions);
- **risk (E4-R1):** Fines and penalties for non-compliance with environmental regulations on biodiversity ([ESRS 2 IRO-1 17 c] transition risk);
- **risk (E4-R2):** Reduced profitability of projects owing to stricter regulatory requirements, which may lead to projects being abandoned (e.g., potential obligations to implement compensation measures that are very expensive or even impossible to implement, or the presence of protected species) ([ESRS 2 IRO-1 17 c] transition risk).

Focus on identified material impacts

[SMB-3 16a] Activities relating to material priority sites that negatively affect biodiversity-sensitive areas are listed in Section 3.1.5.5 "List of material priority sites".

[SMB-3 16b] The material negative impacts regarding land degradation, desertification or soil sealing are as follows, broken down by Group activity sector:

Activities	Material negative impacts with regard to land degradation, desertification or soil sealing
Thermal power plants	• Land footprint of sites, potential disruption of ecological continuity and land artificialization • Use of water, particularly for cooling, which is an issue in areas subject to water stress or regular periods of drought
Hydropower	• Potential disruption of ecological continuity • Aquatic footprint
Onshore wind	• Aerial impact on birds and bats, potential disruption of ecological corridors • Foundation-related ground footprint
Offshore wind	• Aerial impact on birds • Impact on marine flora and fauna, depending on the type of wind turbine (floating or fixed) and the wiring required for electricity transmission
Solar: ground-mounted solar panels	• Foundation-related ground footprint • Use of critical materials in the upstream chain, with a potential impact on soil, water and pollution of the environment
Geothermal energy	• Impact on soil during well construction • Water impact, depending on process
Biomass	• Potential impact on the wood sector • Indirect impacts from biogas production (use of agricultural or forestry waste)
Gas storage	• Land footprint of sites, potential disruption of ecological continuity and land artificialization • Impact on soil during well construction
LNG terminals	• Land footprint of sites, potential disruption of ecological continuity and land artificialization • Use of water, particularly for cooling, which is an issue in areas subject to water stress or regular periods of drought
Power battery storage	• Land footprint of sites, potential disruption of ecological continuity and land artificialization • Use of critical materials in the upstream chain, with a potential impact on soil, water and pollution of the environment
Gas transport and distribution	• Potential spread of invasive species due to excavation work to lay pipelines

[SMB-3 16c] Information on impacts on threatened species is not consolidated at corporate level. It is reviewed locally on a case-by-case basis. Some projects may interfere with threatened species. In such cases, operational teams implement measures to avoid and reduce impacts and, as a last resort, to compensate for them.

List of material priority sites

[SMB-3 16a] The list of material priority sites for 2024, their breakdown by identified impacts and dependencies, and the list of sensitive impacted areas are provided in Section 3.1.5.5 “List of material priority sites.” The ecological status is not consolidated at Group level.

Priority material sites are assessed according to five criteria, defined according to five degrees of criticality. These criteria are as follows:

- proximity to protected areas: IUCN list (categories I to VI), Key Biodiversity Areas (KBA), Man and Biosphere Programme (MAB), World Database of Protected Areas (WDPA) including Ramsar and UNESCO areas (natural and mixed);
- IUCN Red List of Threatened Species;
- ecosystem integrity levels (according to the Globio model);
- water stress zones;
- sector-based classification of the impacts and dependencies of industrial activities. Here, the Group used the results of work on assessing the impacts and dependencies of the energy sector's activities on biodiversity (Roadmap to Nature Positive: Foundations for the energy system) conducted by the World Business Council for Sustainable Development (WBCSD), to which ENGIE also contributed.

Material priority sites are determined as those with four or more "very high" criticality levels of these criteria.

[IRO-1 17b] Analysis of the biodiversity and ecosystem dependencies of the Group and its value chain

This is based on the use of the LEAP method's "Evaluate" process and the findings of the Biodiversity Footprint assessment tool, the Global Biodiversity Score.

The Group has assessed its biodiversity dependencies sector by sector: gas storage and transport, gas distribution and marketing, thermal power production (by fuel type), wind power, solar power, biomass, hydroelectric power, geothermal power and water services (desalination). To do this, the Group used the WBCSD findings on the dependencies of the energy sector's various activities on biodiversity.

Based on these criteria, dependencies are identified by sector of activity. In particular, they concern ecosystem services related to:

- water availability: dependency of hydropower production on watercourses and their regulation, riverside thermal power plants and pumped storage stations;
- climate regulation: dependency on solar and wind energy production, exposure of Group activities to climatic risks;
- raw materials of natural origin: dependency on raw materials of natural origin, whether mineral (coal, natural gas, metals, rare earths) or vegetable (forest biomass or agricultural waste);
- soil quality: dependency of network activities (transport, distribution, heating/cooling) on soil stability provided by supporting ecosystem services (water filtration, subsoil biodiversity, etc.), protection provided by vegetation cover.

[IRO-1 17 ei - ii - iii] Mobilizing affected communities

In the course of its projects and operations, the Group carries out environmental and social impact analyses of its own activities to assess aspects such as the sustainability of biological resources and ecosystems. Locally, at a particular operating site or project, operational teams work to identify affected communities and establish dialogue to improve understanding of local issues and limit the impact on biodiversity and ecosystems. The feedback from dialogue with affected local communities provides input to the Group's double materiality assessment.

[IRO-1 19a] Impacted sites

The Group has sites in or near biodiversity-sensitive areas. These sites are identified using the Integrated Biodiversity Assessment Tool (IBAT), which facilitates access to various layers of global and national biological data, including data on sensitive areas. These sensitive areas are listed under the "proximity to protected areas" criterion in the "List of material priority sites" section.

Group operations affecting endangered species also use this platform to access data on threatened species listed in the International Union for Conservation of Nature (IUCN) Red List.

[IRO-1 19b] Mitigation measures

For projects, needs to implement mitigation measures are determined during the environmental and societal impact study. Such measures might, for example, involve programming the shutdown or flanging of wind turbines, or installing devices to prevent the nesting of certain species in construction zones.

Mitigation measures at sites in operation involve ecological management such as late mowing, eco-grazing or zero pesticides.

Resilience of the company's biodiversity and ecosystem strategy and business model [E4-1]

Under the Group's commitments, biodiversity and ecosystems are included as factors in its strategic planning and business model. ENGIE is strengthening such resilience in all its activities, especially as regards their main dependency, namely the availability of freshwater, as set out in Section 3.1.2.2.3 “Water”.

A description of biodiversity-related impacts, risks and opportunities and their interactions with the Group's strategy and business model appears in Section 3.1.1.4.2 “Material impacts, risks and opportunities”.

Resilience analysis work will be fine-tuned and extended to other dependencies in the years to come.

Policy in place [E4-2]

[MDR-P 65a] [E4-2 23a, 23b, 23c]

Biodiversity policy has four focuses:

Focus 1: Land footprint and ecological continuities

To reduce the land or aquatic footprint, contribute to the restoration of ecological corridors and reduce the presence of invasive alien species, the Group:

- applies ecological site management, which means, at the very least, banning the use of phytosanitary products and promoting the management of green spaces in a way that respects nature and its cycles, and encourages local biodiversity;
- locates protected areas and sensitive zones in the vicinity of its industrial sites, using tools made available to all employees, identifies and qualifies the proximity of its sites to determine, in consultation with local stakeholders, the most appropriate actions to minimize the impacts, or even transform them into positive impacts, while exploring innovative certification and financing tools;
- is committed to applying the avoid-reduce-compensate approach to project development worldwide.

Focus 2: Biodiversity and climate change

To help reduce the pressure on biodiversity caused by climate change (see the Group's climate policy on its website), the Group has introduced a climate policy aimed at reducing greenhouse gas emissions from its own activities, and those of its customers and suppliers.

Wherever possible, the Group strives to identify and implement Nature-Based Solutions in line with the IUCN standard, helping to restore biodiversity and ecosystems and also adapt to the impacts of climate change and natural disasters.

Focus 3: Biodiversity and ecosystem issues in the value chain of Group activities

[E4-2 23d, 23e]

Through its sustainable procurement policy, the Group prompts the inclusion of biodiversity factors throughout its value chain, exchanging with key suppliers and subcontractors, supporting them in nature-related challenges, and stepping up the ecological transition with customers.

Focus 4: Awareness-raising and knowledge-sharing

Awareness-raising and training are crucial to the effective take-up of biodiversity as an integrated factor in the development of Group activities. The Group runs e-learning training on the subject, plus the biodiversity fresk.

To include biodiversity protection as effectively as possible in the development of its activities, and contribute to the pursuance of knowledge on biodiversity both locally and internationally, the Group maintains and develops partnerships with biodiversity players, such as the French Committee of the IUCN and the UNEP World Conservation Monitoring Center at Group corporate level.

It fosters the exchange of practices within its internal network of experts and practitioners, and supports and promotes operational initiatives aimed at developing innovative solutions that benefit local communities throughout the life-cycle of its activities. In addition, ENGIE is working on measuring the biodiversity footprint of its activities, and on supporting PhD and research studies.

[E4-2 23f]

The biodiversity policy takes into account the consequences of impacts on the territories in which the Group operates, in line with its policy of stakeholder engagement (https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Stakeholder%20Engagement%20Policy.pdf), which include affected communities, local communities and indigenous peoples.

[MDR-P]	Biodiversity policy
Scope of application	The policy applies to all Group activities, and to the upstream chain. It covers consolidated financial reporting entities.
In charge of implementation	The Group's ESG Department.
Relevant third-party standards or initiatives	• Compliance with environmental and societal laws and regulations applicable to operations in countries where the Group operates; • Contributor to the global objectives of the Kunming Montreal Convention on Biological Diversity, defined in the Global Framework for Biodiversity; • Committed to the French National Strategy for Biodiversity since its launch; • Signatory to the Cancun pledge in 2016; • Member of the "Make it Mandatory" campaign at the Kunming Montreal COP 15 in 2022 and "Now for Nature" in 2024; • Commitment to the "act4nature" approach from 2018, then to *Entreprises Engagées pour la Nature* and "act4nature International" from 2021 (commitments updated in 2023).
How the policy is made available	The policy is public and available on the ENGIE website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Biodiversity%20Policy.pdf

Actions [E4-3]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Develop action plans for identified priority material sites	Action taken in 2024	Continuous improvement in the management of risks and impacts on biodiversity and ecosystems at operating sites	Industrial entities in consolidated financial reporting	2028
Apply the avoid-reduce-compensate sequence to development projects	Action taken in 2024	Optimum conciliation of project development and implementation with local biodiversity and ecosystem issues	Group projects submitted to the Group and GBU Investment Committees	2025
Implement ecological management for all the Group's industrial activities, in particular without the use of chemical phytosanitary products	Action taken in 2024	Better preservation of the integrity of biodiversity and ecosystems on the Group's industrial sites, and contribution to the restoration of ecological corridors	Industrial entities in consolidated financial reporting	2030
Implement Nature-Based Solutions (NBS)	Action taken in 2024	Identification and implementation of solutions combining the resilience of industrial sites and the areas in which they are located with the preservation and/or restoration of biodiversity and ecosystems. Nature-Based Solutions registered meet the IUCN standard.	All Group entities, consolidated and non-consolidated	2025

The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the type of project or site. In practice, the main costs incurred in implementing the above-mentioned action plans are related to conservation/preservation, restoration and sustainable management of biodiversity and ecosystems. Such actions call upon the local, scientific and naturalist expertise of ecology and landscape consultancies, research laboratories and universities.

[MDR-A 68b] [E4-4 32d][MDR-T 80c] Stakeholder analysis is carried out locally, site-by-site. Group-wide consolidation has not been carried out.

[E4-3 28a] Compensation measures are determined in the impact study carried out at the project stage.

[E4-3 28bi] The compensation objective and key metrics are set in the project impact study. This information has not been consolidated Group-wide.

[E4-3 28bii] The financial impacts (direct and indirect costs) and the measures to compensate for biodiversity loss are not available at Group level for 2024.

[E4-3 28biii] The description of compensation measures, specifying in particular the area concerned, the type of measure, the qualitative criteria applied and the standards to which these measures correspond, are not available at Group level.

[E4-3 28c] The application of Nature-Based Solutions is a key Group action. Such solutions are integrated into the positive impacts of its double materiality, and the Group implements them in its activities in accordance with the IUCN Global Standard. Compliance with this standard requires the involvement of local stakeholders, which means drawing on their environmental and societal expertise, and where necessary raising their awareness or training them in practices that are beneficial to their development and to local biodiversity.

Examples

The Group's Nature-Based Solutions validated by IUCN in 2024 are listed below:

- The Regenera+ project is an initiative of ENGIE Brasil Energia and Sebrae RS that promotes regenerative agriculture in the region of the Passo Fundo hydropower power plant by strengthening the resilience, efficiency and sustainability of rural properties, while reducing production costs and carbon emissions.
- The ENGIE Foundation is supporting the Friendship NGO in the reforestation of 14 hectares of mangroves for the resilience of ecosystems and communities in Bangladesh, to significantly improve the biodiversity and productivity of terrestrial and marine biotopes, thereby increasing the adaptation capacities and resilience of the most vulnerable communities in the face of climate disasters.
- In collaboration with the *Agence de l'Eau Rhône Méditerranée Corse*, the *Compagnie Nationale du Rhône* (CNR) has set up a project to restore the functionality of the *Vieux Rhône* hydrosystem at *Péage-de-Roussillon*. This project recreates flood expansion zones by restoring the ecological quality of the environment, to limit the impact of heavy rainfall and avoid flooding, and improve the functionality of wetlands adjacent to the river.

Targets [E4-4]

[MDR-T 78] [E4-4 32c, 32f]

Nature and description of target	Target year	Intermediate target (target year)	Baseline value	Base year	2024 reporting	Performance versus target	Corresponding IROs
Develop action plans for identified priority material sites	100% (2028)	80% (2025)	/	2020	84.5%	compliant	(E4-I2), (E4-I3), (E4-I4), (E4-R1), (E4-R2)
Apply the avoid-reduce-compensate sequence to development projects	100% of projects (2025)	100% of files submitted to the Investment Committee (2024)	/	2020	91%	compliant	(E4-I1), (E4-I2), (E4-I4), (E4-R1), (E4-R2)
Implement ecological management for all the Group's industrial activities, in particular without the use of chemical phytosanitary products	100% (2030)	50% (2025)	/	2020	63%	compliant	(E4-I1), (E4-I3), (E4-I4), (E4-R1), (E4-R2)
Implement Nature-Based Solutions (NBS)	10 (2025)		/	2020	1 in 2023 3 in 2024	compliant	(E4-I1), (E4-I2), (E4-I3), (E4-I4), (E4-R1), (E4-R2)

[E4-4 32a] The targets set by the Group are not based on ecological thresholds.

[MDR-T 80a] The targets meet the objectives of the Global Framework on Biological Diversity as set out in the biodiversity policy.

[E4-4 32b] The Group's targets are aligned with the Kunming Montreal global framework, the EU strategy, and national regulatory frameworks. The Group's biodiversity strategy is part of its Nature Positive approach. In late 2023, the Group strengthened and updated its objectives and commitments for 2030 to reinforce and adapt them to the global Nature Positive pathway.

[E4-4 32d] Targets apply to all countries where the Group operates.

Evaluation of target effectiveness [MDR-T 79a]

- The effectiveness of action plans for material priority sites is measured by ESG managers at country level during the annual reporting campaign;
- Application of the avoid-reduce-compensate sequence for each project is assessed by the Group and GBU Investment Committees;
- The effectiveness of Nature-Based Solutions is measured by the ad hoc criterion of the UICN standard.

Impact metrics on biodiversity and ecosystems change [E4-5]

[E4-5 35] In 2024, the 58 priority material sites were located in or near biodiversity-sensitive areas. These sites cover a total surface area of 986.5 hectares.

[E4-5 36] The identification of material impacts related to land-use change, or impacts on the extent and condition of ecosystems, is not yet available.

[E4-5 38] The Group is not yet in possession of metrics on the impact drivers of land-use change, freshwater-use change or sea-use change.

3.1.2.2.5 Resource use and circular economy *[ESRS E5]*

Introduction [IRO-1]

[ESRS E5 IRO-1 11a, AR 1-6] The double materiality assessment carried out at the head of the Group identified the following impacts, risks and opportunities (IROs), broken down into three sub-topics.

1) A sub-topic on pressure on natural resources, with:

- **negative impact**: pressure on resources, conflicts of use and geopolitical issues (e.g. competition with food for biomethane production, competition with wood, etc.), particularly for critical materials used by renewable energies in relation to impacts linked to resources **[AR 7b],** or upkeep of the status quo, **[AR 7c]** or risks linked to the transition to a circular economy **[AR 7e]**,
- **positive impact**: reduction in demand for resources resulting from (i) lower energy demand due to energy efficiency, (ii) eco-design of equipment and (iii) optimized operation of energy assets linked to circular economy opportunities **[AR 7d],**
- **risk**: counterparty/supplier risk in the event of inability to honor contractual commitments on renewable energy projects owing to supply constraints regarding the resources used **[AR 7b]** and to maintaining the status quo **[AR 7c],** or to risks regarding the transition to a circular economy **[AR 7e]**,

2) A sub-topic on the reuse of industrial assets with:

- **opportunity**: the reuse and upgrading of Group infrastructure to support the energy transition (e.g., coal converted to biomass, gas networks adapted to hydrogen and biogas, wind turbines), in relation to material opportunities linked to the circular economy **[AR 7d],**
- **opportunity**: the strong demand for heating and cooling networks and methanization using local resources (biomass, geothermal energy, waste heat, manure, etc.), in relation to material opportunities linked to the circular economy **[AR 7d].**

3) A sub-topic on the dismantling of industrial assets with:

- **risk**: the increased costs for dismantling networks and treating the waste produced, regarding upkeep of the status quo **[AR 7c]** or the risks regarding the transition to a circular economy **[AR 7e]**.

[ESRS E5 IRO-1 11b] The double materiality assessment set out in the General Information section is based on a consolidated analysis at Group level.

The main entities involved are the Renewables Global Business Unit (GBU) for the first sub-topic, the Networks and Energy Solutions GBU for the second sub-topic and Electrabel and the FlexGen, Energy Solutions and Renewables GBU for the third sub-topic **[AR 7a]**.

Policies, processes [E5-1]

The circular economy and natural resources policy was updated in 2024 and features eight key levers:

- eco-design: by encouraging eco-design, the Group can minimize the environmental and societal impacts of a product or industrial asset from the onset, reducing the use of new materials, including rare earths and critical materials for which there may be market tensions, possibly of a geopolitical nature, especially in the renewable energies sector;
- preserve: by reducing energy consumption (with a priority on energy sobriety and efficiency), the Group contributes to the preservation of natural resources;
- optimize: by combining, for example, its material, waste and energy flows with those of neighbor partners, the Group can contribute to the emergence of a resource-efficient and cost-efficient “industrial and territorial ecology", in a win-win approach with its stakeholders, as with heat reuse or the call on local resources;
- reuse: by reusing products or services, the Group reduces the production of waste or the use of natural resources, and contributes to the energy transition by adapting existing assets (converting gas networks to hydrogen, for example) that no longer meet the needs of an operating entity, or by recovering spare parts via a stock managed at Group level or during the dismantling of assets;
- repair: by repairing damaged or out-of-service products, such as used boilers or photovoltaic panels, the Group reduces the footprint of its activities while creating new jobs in the value chain;
- recycle: by identifying appropriate recycling channels, particularly for renewable solar and wind energy and batteries, and stepping up recycling for waste generated by industrial activities and dismantling operations, the Group transforms waste into resources, thereby limiting the quantity of waste to be disposed of and the impact on natural resources;
- innovate: the Group is open to fresh approaches on strengthening the economy of resources, such as functionality economy (which prioritizes use rather than sale of a product), and provides innovative tools to support the decision-making process on the circular economy in industrial zones;
- empower: the Group uses resources sustainably through certified or labeled channels (as for biomass).

Over the next few years, the Group's businesses will be working to chart a circular economy roadmap in line with the Group's policy.

IRO POSITIONS WITH REGARD TO CIRCULAR ECONOMY AND NATURAL RESOURCES POLICY LEVERS

	Policy focuses							
Impacts, risks and opportunities	**Eco-design**	**Preserve**	**Optimize**	**Reuse**	**Repair**	**Recycle**	**Innovate**	**Empower**
Pressure on resources, conflicts of use and geopolitical issues	•	•	•	•		•	•	
Reduction in demand for resources resulting from (i) lower energy demand due to energy efficiency, (ii) eco-design of equipment and (iii) optimized operation of energy assets	•		•					•
Reuse and upgrade to the Group's infrastructure to support the energy transition	•		•	•	•	•	•	
Increased costs for dismantling networks and treating the waste produced				•	•	•	•	
Counterparty/supplier risk in the event of inability to meet contractual commitments					•	•	•	•
Strong demand for DHC and methanization from local resources		•	•		•	•		•

[MDR-P]	Circular economy and natural resources policy
Scope of application	The policy applies to all Group activities, and to the upstream chain. It covers consolidated financial reporting entities.
In charge of implementation	The Group's ESG Department.
Relevant third-party standards or initiatives	• Compliance with environmental and societal laws and regulations applicable to operations in countries where the Group operates • Contributor to professional associations and non-governmental organizations (OREE, RECORD, Circul'R) to promote the exchange of best practices • Contributor to working groups of French employers' organizations (Afep, Medef)
How the policy is made available	The policy is public and available on the ENGIE website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE - Circular Economy Policy.pdf

[E5-1 15a] Under the climate transition plan outlined in Section 3.1.2.1, the development of renewable electrical energies and biomethane will reduce demand for fossil fuels and thus reduce the extraction of natural resources (coal, natural gas), thereby addressing the positive and negative impacts regarding natural resources. In addition, actions involving eco-design and the recycling of materials (such as solar panels and wind turbines) also reduce pressure on the extraction of virgin resources.

In line with the objective of reducing demand for natural resources and promoting the repairability and recycling of assets, in the first half of 2024 the GBU in charge of renewable energies took up a sustainability strategy, one section of which addresses three aspects of the circular economy:

- transparency: assess the multiple risks involved in the manufacture of wind turbines and photovoltaic modules throughout the materials value chain;
- waste reduction: improve anticipation of the end-of-life of renewable assets, to increase the value generated by dismantled components;
- partnerships: promote the sustainable use of materials throughout the manufacturing and dismantling processes for wind turbine modules and photovoltaic panels, by forming innovative partnerships with upstream and downstream suppliers.

[E5-1 15b] On sustainable procurement, ENGIE applies ESG criteria to all of its purchases, including energy purchases (see Section 3.1.4.2 “Sustainable procurement”).

Sub-topic on pressure on natural resources

The issue of pressure on natural resources, including critical materials, mainly concerns the renewable energies activities of the Renewables GBU.

Actions and resources [E5-2]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Continue to implement the Material Risks Passport	Action taken in 2024	Four new technologies in 2025	New criticality reviews at the request of the business lines	Ad hoc
Promote the circular economy and natural resources dimension in LCAs (resource optimization, waste reduction, carbon footprint reduction, value chain improvement, regulatory and societal expectations)	Action taken in 2024	Extended field of study	Fresh LCA studies at the request of the business lines	Ad hoc
Develop energy recovery from industrial and tertiary processes, using local resources	Action taken in 2024	New business opportunities	Activities of the Energy Solutions GBU	Annual

With the exception of actions on energy recovery, which require CAPEX (shared with climate change action plans, and therefore allocated to these), the other actions will require expenditure (OPEX) which will vary according to the Group's activity in implementing or monitoring the action plans. Given the nature of these expenses, the amounts are considered as potentially having no significant financial impact.

[MDR-A 68d] Focus on LCA and Material Risks Passport

Life-cycle assessment

For many years, ENGIE has been carrying out studies using the standardized LCA methodology. These studies cover the majority of the products and services provided by the Group (energy production using photovoltaic panels and wind turbines, energy storage using batteries, biomethane production, heating networks, etc.), making it possible to assess the environmental impact at every stage of the life-cycle, from raw materials extraction through to product production, transport, use and end-of-life. This approach provides a comprehensive view of environmental impacts and helps identify opportunities for improvement and assessment.

LCA studies are carried out on an ongoing basis by a dedicated Group team, using the latest methodologies and tools. Previous LCAs are regularly updated to reflect methodological advances and the latest data supplied by the Group or its suppliers.

The Material Risks Passport

In addition to LCA studies covering environmental impact in all value chains, ENGIE is currently working on rollout of the Material Risks Passport, to identify the risks involved in the consumption of natural resources in energy production and storage technologies. The aim is to closely identify and assess the risks associated with resources. The methodology covers aspects including: availability/scarcity of raw materials, criticality of materials, substitutability of materials, geopolitical risks, societal risks and traceability of materials. It also meets the requirements of Article 24 of the European Regulation of April 11, 2024, setting a framework to ensure secure and sustainable supply of critical raw materials in terms of business risk preparedness.

The Passport seeks improved understanding and anticipation of the risks associated with the raw materials used in the Group's technologies (four case studies have been carried out to date on photovoltaics, wind power, batteries and electrolyzers), to facilitate proactive supply management. As well as helping to minimize risks, it also strengthens the Group's position in an economy increasingly focused on sustainability and optimized resource management. ENGIE is currently developing a visualization tool that will make it easier to take these risks into account during decision-making processes.

[MDR-M 77a, 77b] Data can come from various sources. As a priority, ENGIE asks its suppliers for the necessary information. If they are unable to provide full data, data is drawn from internal databases and previous studies carried out by ENGIE. If data is still lacking, it is sought from bibliographic studies based on public data and from scientific literature and research.

Example: Zebra

ENGIE leads and participates in a number of projects involving the eco-design of products and services. One of these is the ZEBRA (Zero wastE Blade ReseArch) consortium (of six partners including ENGIE), working on the development of recyclable wind turbine blades. This innovative project applies an eco-design approach to demonstrate the technical, economic and environmental feasibility of large-scale thermoplastic blades, which are recyclable and thus contribute to a circular economy in the renewable energy sector. It aligns with European Union objectives under the Waste Framework Directive and other related directives, promoting waste prevention, recycling and support for the circular economy. The study provides crucial information for defining future environmental objectives, and for raising awareness among political decision-makers and industry professionals on the environmental implications of innovative, recyclable technologies.

The ZEBRA consortium has unveiled a second recyclable thermoplastic wind turbine blade. In October 2024, the ZEBRA project successfully recycled Elium resin and Ultrablade fabrics from wind turbine blades and production waste, reforming them into reusable materials. This closed-loop process addresses the growing problem of end-of-life blade management in the wind energy industry.

Targets [E5-3]

[E5-3 24a, b, c, d] ENGIE does not currently have Group-wide targets for minimizing the use of natural resources or increasing the use of recycled resources. Identification work will be carried out with the various entities over the next few years. The Group will continue to apply its Material Risks Passport to other technologies, in preparation for the identification of four new technologies by 2025.

[E5-3 24c, AR 17] To assess the criticality of renewable technologies, the Material Risks Passport was applied to evaluate the criticality of materials for four technologies in the sectors of wind power (6 MW onshore turbine model), photovoltaics (tunnel oxide passivated contact model with indium), batteries (lithium ion phosphate) and electrolyzers (Alkalin technology).

KPIs [E5-4]

[E5-4 30] With regard to the Group's business model and the impacts, risks and opportunities identified, the main incoming raw materials are natural gas, biomass, water and metals used in particular in renewable energy technologies. Studies carried out to date, and those currently underway, have identified a list of "typical materials" characteristic of this renewable energy installations. The Group does not, however, yet have a precise and exhaustive view of every material used in renewable energy technologies. And the studies in question do not cover all the technologies used by the Group.

The main materials used in wind power plants include steel, copper, aluminum, zinc, lead, polymers, fiberglass, concrete and rare earths, among others. In photovoltaic panels, the typical composition usually includes aluminum, concrete, copper, silicon, zinc, rare earths, plastics/polymers and glass. Batteries are made from materials including lithium, graphite, iron, cobalt, aluminum, and plastics/polymers, among others. Electrolyzers contain nickel, copper, steel, zirconium and plastics/polymers.

It is important to note that, although these materials are typical of the technologies in question, exact compositions may vary according to suppliers, technological innovations and regulatory developments. The Group therefore strives to keep a close watch on developments to deepen its understanding of the exact raw materials used. Efforts are also underway to include all the Group's technologies in studies to ensure a more comprehensive and systematic approach to materials analysis.

[E5-4 31a, 31b, 31c, AR 23, 32, AR 24] Given the nature of the Group's current internal accounting nomenclature and purchasing data, the Group cannot report on the weights of materials purchased and the percentage of recycled materials they contain. Work on this aspect will be carried out over the next few years, drawing inspiration from practices in the energy sector.

Sub-topic on infrastructure reuse and upgrade

The repair and reuse of assets is a key aspect of the Group's policy. Actions here include those with the FlexGen & Retail GBU (an example being the conversion of power plants from coal to gas) and the Networks GBU (reuse of natural gas networks with biomethane).

Actions and resources [E5-2]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Develop biomethane in Europe (using local resources)	Action taken in 2024	Increase in green gas fed into the network	Networks GBU activities	Annual
Repair assets to extend their lifespan	Action taken in 2024	Reduction in OPEX	All operating activities	Annual

With the exception of the action on biomethane development, which requires CAPEX (shared with the climate change action plans, and therefore allocated to the latter), the other actions will require expenditure (OPEX) that varies according to the Group's activity in implementing or monitoring the action plans. Given the nature of these expenses, the amounts are considered as potentially having no significant financial impact.

Biomethane development in Europe

[MDR-A 68a] The development of green and renewable gases contributes to the preservation of natural resources as well as decarbonization. ENGIE included the development of renewable gases in its roadmap as from 2017.

In September 2024, ENGIE renewed its partnership with the *Institut National de Recherche pour l'Agriculture, l'Alimentation et l'Environnement* (INRAE) under an existing collaboration within national and European research programs and through thesis contracts. The new agreement aims to pursue the development of innovative technological solutions for the reduction of organic residues and the production of renewable energy through methanization, taking into account environmental, societal and economic impacts.

Targets and KPIs [E5-3]

Nature and description of target	Target	Target year	2024 reporting	Performance versus target
Develop biomethane production capacity in Europe	10 TWh per year	2030	1.2 TWh	12%
Expand biomethane injection capacity in France	50 TWh per year	2030	13.0 TWh	26%

Dismantling sub-topic

ENGIE is committed to responsible management of site dismantling. The dismantling of industrial assets chiefly concerns the FlexGen & Retail (coal and gas-fired power plants) and Renewables (wind and solar power) GBU, and Electrabel in the nuclear sector. Dismantling operations are managed locally.

Actions and resources [E5-2]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Dismantle Belgian nuclear plants	Action to be launched in 2026	Units dismantled in accordance with regulations	Doel 3 and Tihange 2 reactors within the Electrabel subsidiary	2037
Maximize the value of hazardous and non-hazardous waste from dismantled sites	Action forthcoming	Increase in recycling rate	All operating activities	Annual

[MDR-A 69b, c] The costs and provisions related to future nuclear dismantling are detailed in Note 17.2 of Section 6.2.2 “Notes to the consolidated financial statements.”

Note on the dismantling of nuclear power plants in Belgium

The reactors concerned are currently in the final shutdown phase, which comprises four stages: unloading of the reactor and transfer of the nuclear fuel to the deactivation pools, decontamination of the primary circuit, evacuation of the fuel to temporary storage buildings, then evacuation of the filters and resins, final rinsing of the circuits and pools, and evacuation of waste, effluents and hazardous products.

Once dismantling operations are sufficiently advanced, and if the permit so allows, Electrabel will start dismantling the installations in 2026, according to the current schedule. Dismantling activities in the reactor building will determine the duration of this phase.

All dismantling operations at nuclear installations are subject to the safety imperatives set by the Federal Agency for Nuclear Control (AFCN). The dismantling process also involves the management of waste, which must either be evacuated immediately or treated on site before being sent to Belgoprocess. Some 98% of the waste generated by dismantling a nuclear power plant is conventional waste (concrete and metals) that will be recycled and recovered as far as possible. Residual radioactive waste will be sorted, treated and packaged before being transported to storage or disposal centers adapted to its type, pursuant to the agreement signed with the Belgian government.

Note on the dismantling of non-nuclear sites

There was no significant dismantling activity in 2024.

[MDR-A 68a, b]. Given the growing importance of access to critical materials needed for renewable energies, and the challenges of managing end-of-life of assets in the years ahead, an end-of-life strategy is of crucial importance for each country in the Renewables GBU. Key points of this strategy concern the structure of the GBU's approach to dismantling wind and solar farms, and the need to ensure an environmentally sound method for managing the growing volumes in the years ahead. This means anticipating and mitigating the financial risks involved in asset dismantling, ensuring effective cost management, identifying potential risks, and complying with regulations.

The main principles applied by this GBU are:

- zero landfill: landfill must be avoided for all dismantled renewable energy assets;
- recycling targets: at least 90% of the materials in dismantled photovoltaic panels must be recycled, starting with valuable materials such as silicon, glass and metals; at least 90% of the materials used in wind turbine blades must be recycled or reused;
- environmentally-sound dismantling: dismantling practices must minimize environmental impact and disruption to ecosystems and local communities; all hazardous materials must be disposed of safely, in compliance with local and international regulations;

- extended service life: the service life of renewable assets must be extended wherever possible, and the use of second-hand spare parts promoted;
- stakeholder engagement: approach should be made to external stakeholders such as recycling companies and local communities, to support and improve waste disposal efforts;
- sharing of best practices: best practices and lessons learned should be shared across the GBU to achieve continuous improvements in end-of-life processes;
- data collection for reporting purposes: reporting should be carried out on the quantities of materials recovered, recycled and disposed of, and on recycling and landfill detour rates.

Recycling or reusing wind turbines and solar panels is one of the nine commitments of the Sustainable Energy Transition label.

[MDR-A 68c] Such an operation usually takes around six months.

Targets [E5-3]

Nuclear sites

[E5-5 39] In Belgium, waste from nuclear power plants, particularly radioactive waste from dismantling, is monitored by Electrabel, but also by the Belgian National Agency for Radioactive Waste and Enriched Fissile Material (*Organisme national des déchets radioactifs et des matières fissiles enrichies* – ONDRAF), which is responsible for the management of radioactive waste from nuclear power plants. Publication of detailed information on the volumes of fuel or high-level radioactive waste is prohibited by the Belgian Royal Decree of October 17, 2011 titled, "Royal Decree regarding the physical protection of nuclear materials and nuclear installations."

Non-nuclear sites

[E5-3 27 AR 20] For dismantling operations, ENGIE complies with local, national and international legislation on waste.

[E5-3 24e, 25] ENGIE does not have specific targets on the management of dismantling waste, except for the Renewables GBU, which targets at least 90% recycling for materials from dismantled photovoltaic panels (chiefly to recover valuable materials such as silicon, glass and metals), and at least 90% of materials from wind turbine blades. Work with other GBU on this matter will be carried out over the next few years.

KPIs [E5-5]

[E5-5 37, 37a, 37d, 38, 38a 38b] The Group's environmental reporting does not specify waste types, quantities, destinations or the grading of waste treatment methods for dismantling projects. Work will be carried out over the next few years to meet any standards applicable here.

Non-material but important information for the Group

To ensure continuity with previous Group publications and to meet the expectations of external stakeholders, waste metrics are published with reasonable assurance, though they are not material in the sense of the double materiality assessment.

Metric	Unit	ENGIE 2024
Total quantity of non-hazardous waste and by-products discharged (including sludge)	t	1,024,545
• Fly ash, refioms (residues from the purification of incineration fumes from household waste)	t	63,231
• Ash, bottom ash	t	170,959
• Desulfurization by-products	t	17,409
• Sludge	t	7,286
• Driftwood	t	10,792
Total quantity of non-hazardous waste and by-products recovered (including sludge)	t	870,972
Total quantity of hazardous waste and by-products discharged (including sludge and excluding radioactive waste) ☐☐	t	31,695
Total quantity of hazardous waste and by-products recovered (including sludge and excluding radioactive waste) ☐☐	t	7,021

☐☐ *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7).*

3.1.2.3 European Taxonomy

3.1.2.3.1 Methodology for the classification of activities

In order to direct European industrial investments toward sustainable activities and achieve carbon neutrality by 2050, the European Union has adopted, with Regulation No. 2020/852 of June 18, 2020 and four delegated acts – (2021/2139) dated June 4, 2021, (2022/1214) dated March 9, 2022 and (2023/2485 and 2023/2486) dated June 27, 2023 – a European Taxonomy that defines the economic activities deemed environmentally sustainable. **The Group followed a four-step process to identify the activities which are eligible and aligned in accordance with the European Regulation governing the Taxonomy of sustainable activities (2020/852) across all the countries where the Group operates.** For Taxonomy-eligible activities, the process covered all six Taxonomy objectives: the two climate objectives (climate change mitigation and adaptation) and the four other environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems).

The analysis of economic activities across all six objectives shows that the Group is mainly concerned with the mitigation objective, in line with its purpose and its decarbonization strategy (see Section 3.10 "Appendix – Taxonomy tables"). Activities related to other objectives, which are not material with regard to the indicators covered by the European Taxonomy, are therefore implicitly included in the mitigation objective declared for the Group.

The **first stage** consisted of studying the eligibility of activities and dividing the Group's economic activities into two categories: eligible and non-eligible. To do so, the Group determined which of its activities strictly corresponded to an economic activity described in one of the delegated acts (2021/2139), (2022/1214) or (2023/2486). The main activities deemed eligible were those of the Renewables GBU (wind, solar, hydropower and geothermal electricity production), Energy Solutions GBU (heating production and distribution with or without gas or biomass cogeneration, energy efficiency services), and the FlexGen & Retail GBU (electricity storage, electricity production from natural gas). For the Networks GBU, activities relating to the greening of injected, transported and distributed natural gas were taken into account in proportion to the green gas transported in the networks (activities 4.9 – Transmission and distribution of electricity and 4.14 – Transport and distribution networks for renewable and low-carbon gas). In Nuclear Production, the extension of Belgian units Doel 4 and Tihange 3 was the subject of an agreement between the Belgian government and the Group, which led to the creation of a legal structure dedicated to the two extended nuclear units, owned equally by the parties (ENGIE and the Belgian government are currently concluding various procedural steps with a view to completing the transaction by March 14, 2025 at the latest, see Note 24.2 of Section 6.2.2 "Notes to the consolidated financial statements"). This dedicated company will be consolidated using the equity method. Furthermore, given the definition of CAPEX according to the Taxonomy regulation and/or the nature of the expenses incurred, investments made in the Group's nuclear activity are outside the scope of the Taxonomy analysis exercise. Accordingly, only drawing rights on French power plants owned and identified as Taxonomy eligible by EDF are considered as eligible by the Group. Non-eligible activities mainly relate to sales of electricity and gas as a marketer or trader.

The **second stage** consisted of determining, among the eligible activities, those that made a substantial contribution to the climate change mitigation or adaptation objective by assessing their compliance with the technical review criteria presented in the delegated acts. The life-cycle assessment criterion of 100 g CO_2/kWh does not currently qualify the Group's natural gas-fired power generation assets on its own. Among the technical review criteria, the activity is considered aligned if:

- for hydropower generation: the hydropower plant was a "run of the river" type or can demonstrate a power flux density of more than 5 W/m^2 – certain large capacity hydropower installations are therefore not aligned for this reason;
- for the heating networks: the energy system was efficient as defined by the EU (using 50% renewables, 50% residual heat, 75% cogenerated heat or 50% a combination of such energy and heat);
- for the installation of energy efficiency equipment or energy performance services in the buildings: the activity is related to one of the activities described.

The **third stage** related to compliance with technical review criteria ensuring no detriment to the other environmental objectives (Do No Significant Harm – DNSH). Risk management relating to climate change, water resources, the circular economy, the erosion of biodiversity and air pollution is covered by ENGIE's environmental policies (see ESRS E1 to E5 and the Group's website: https://www.engie.com/en/group/social-responsibility/csr-goals). The compliance assessment was carried out by environmental coordinators for each activity based on the following main elements:

- the analysis of risks relating to climate change (physical risks), water stress, pollution (NO_x, SO_x, PM), the conservation of protected areas which is updated each year as part of environmental reporting on sites in operation;
- the preparation of an environmental management plan as part of the Group's voluntary ESG objectives;
- EMAS and ISO 14001 certification for installations with the highest environmental impact such as hydropower production sites.

The **fourth stage** related to the Group's compliance with minimum safeguards. This compliance is achieved thanks to the policies of the Group's Ethics, Compliance & Privacy Department and in particular through the policy relating to human rights which refers to major international standards, and the Integrity and Ethics Compliance reference systems for the establishment of anti-corruption and fair competition procedures, and through risk analysis and vigilance action plans, as well as the system for whistleblowing and reporting ethics incidents. A description of the system and the Vigilance Plan is available in Sections 3.1.4.1 "Business conduct and ethics" and 3.2 "Vigilance Plan", and on the Group's website: www.engie.com/en/ethics-and-compliance/whistleblowing-system and www.engie.com/en/ethics-and-compliance/vigilance-plan.

Activities considered aligned are those that correspond favorably to the four stages described above. Additionally, the results are the subject of a follow-up note at the level of the EESDC and the Board of Directors.

3.1.2.3.2 Calculation method for indicators

EU Regulation No. 2021/2078 dated July 6, 2021 requires this Sustainability Statement, (previously NFS), to disclose, as of 2022, the rate of eligibility and alignment of economic activities with the Taxonomy using three indicators defined by said Taxonomy:

- turnover (Revenues);
- capital expenditure (CAPEX);
- operating expenses (OPEX).

The Revenues, CAPEX and OPEX indicators used for these eligibility rate calculations are strictly in line with the Taxonomy definitions.

Revenues refers to the Group's published revenues (see Note 7 "Revenues" of Section 6.2.2 "Notes to the consolidated financial statements"), i.e., it excludes the revenues of entities consolidated using the equity method (like Ocean Winds, a partnership with EDP Renovàveis in offshore wind). Moreover, revenues from an energy production site eligible for the Taxonomy must be included even if the final sale to an external third party is carried out by the Group's marketer (GEMS), and not directly by the entity producing the sustainable energy.

The CAPEX indicator defined by the Taxonomy is different from that used by ENGIE in its management dialogue and in its financial communication to the market (growth CAPEX). In particular, the Taxonomy does not include financial investments in companies accounted for using the equity method, or Design Build Own Operate (DBSO) disposals including tax equity received. The reconciliation between ENGIE CAPEX and Taxonomy CAPEX is as follows (the reconciliation between CAPEX and growth CAPEX is presented in Note 5.6 of Section 6.2.2 "Notes to the consolidated financial statements"):

Data at December 31, 2024 *(in millions of euros)*	**Capital expenditure (CAPEX)[1]**	**Taxonomy CAPEX**
Acquisitions of property, plant and equipment and intangible assets	10,129	10,129
Amounts received under tax equity schemes	-744	-327
(-) Change in investment liabilities relating to property, plant and equipment and intangible assets		*4*
Additions of property, plant and equipment and intangible assets arising from "Business combinations"		1,489
Changes in scope – Acquisitions	311	
(+) Other	*-4*	
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	670	
(+) Cash and cash equivalents acquired	*184*	
Acquisitions of investments in entities accounted for using the equity method and joint operations	66	
Acquisitions of equity and debt instruments	-1,693	
Change in loans and receivables originated by the Group and others	4,289	
(-) Impact of disposals relating to DBSO activities	*-830*	
(-) Synatom financial investments/Disposal of Synatom financial assets	*-2,495*	
Change in ownership interests in controlled entities	87	
Right-of-use assets (IFRS 16)		998
TOTAL	**9,970**	**12,294**

(1) See Note 5.6 of Section 6.2.2 "Notes to the consolidated financial statements".

Since 2022, ENGIE has adapted its chart of accounts to strictly adhere to the definition adopted by the European regulation for the **OPEX indicator**, i.e., direct costs not recognized as assets for research and development, the renovation of buildings, leases, maintenance and repairs, and any other direct expense relating to the routine maintenance of property, plant and equipment. The 2024 results are presented in the three tables below, with a breakdown of the results by segment.

2024 REVENUES (TURNOVER) USED BY THE TAXONOMY

Segment	**Eligible Revenues (€ millions): A**	**Aligned Revenues (€ millions): B**	**Total Revenues (€ millions): C**	**Eligible proportion of Revenues: (A/C)**	**Aligned proportion of Revenues: (B/C)**
Renewables	5,402	5,107	5,467	99%	93%
Networks	611	547	7,231	8%	8%
Energy Solutions	7,027	5,980	9,853	71%	61%
FlexGen & Retail	4,014	1,232	19,007	21%	6%
Nuclear	890	890	68		
Other (of which GEMS)	154	70	32,187	0%	0%
TOTAL	**18,099**	**13,826**	**73,812**	**25%**	**19%**

2023 REVENUES (TURNOVER) USED BY THE TAXONOMY

Segment	**Eligible Revenues (€ millions): A**	**Aligned Revenues (€ millions): B**	**Total Revenues (€ millions): C**	**Eligible proportion of Revenues: (A/C)**	**Aligned proportion of Revenues: (B/C)**
Renewables	5,357	4,996	5,512	97%	91%
Networks	470	379	6,873	7%	6%
Energy Solutions	7,738	6,826	11,033	70%	62%
FlexGen & Retail	5,175	1,428	21,707	24%	7%
Nuclear	815	815	118		
Other (of which GEMS)	81	73	37,322	0%	0%
TOTAL	**19,635**	**14,517**	**82,565**	**24%**	**18%**

2024 CAPITAL EXPENDITURE (CAPEX) USED BY THE TAXONOMY

Segment	Eligible CAPEX (€ millions): A	Aligned CAPEX (€ millions): B	Total CAPEX (€ millions): C	Eligible proportion of CAPEX: (A/C)	Aligned proportion of CAPEX: (B/C)
Renewables	5,882	5,877	5,914	99%	99%
Networks	311	267	2,269	14%	12%
Energy Solutions	879	734	1,256	70%	58%
FlexGen & Retail	1,229	617	1,519	81%	41%
Nuclear	88	88	336	26%	26%
Other	-7	-8	999	-1%	-1%
TOTAL	**8,382**	**7,576**	**12,294**	**68%**	**62%**

Information on the issuance of green bonds

In accordance with the Group's commitments, ENGIE issues green bonds complying with the provisions of the Green Financing Framework. The proceeds of these bonds are used to finance, in whole or in part, projects that support the transition to a low-carbon economy, particularly in renewable energies.

As a reminder, according to the Green Financing Framework (see Section 5.3 "Green bonds"), the Group has a period of 24 months following the issuance of the green financing instrument to allocate the funds to Green Eligible Projects, or to refinance them if necessary (three years if the bond has a maturity of 10 years or more), whereas the European Taxonomy CAPEX indicator is calculated on the investments made in the reporting period. In 2024, ENGIE allocated €3.5 billion in green bond proceeds, of which €1.7 billion and €0.6 billion related to expenditure incurred in 2024 on Renewables GBU solar, wind and hydropower projects and FlexGen & Retail GBU energy storage projects, respectively. The specified activities are considered 100% eligible and aligned under the criteria of the European Taxonomy. In addition, the green bond proceeds allocated in 2024 include €0.4 billion in CAPEX committed in previous years and €0.1 billion in CAPEX excluded from the scope of the Taxonomy (equity method entities and R&I expenditure).

2023 CAPITAL EXPENDITURE (CAPEX) USED BY THE TAXONOMY

Segment	Eligible CAPEX (€ millions): A	Aligned CAPEX (€ millions): B	Total CAPEX (€ millions): C	Eligible proportion of CAPEX: (A/C)	Aligned proportion of CAPEX: (B/C)
Renewables	4,687	4,668	4,707	100%	99%
Networks	357	261	2,099	17%	12%
Energy Solutions	818	705	1,040	79%	68%
FlexGen & Retail	2,062	1,555	2,348	88%	66%
Nuclear	45	45	170	27%	27%
Other	23	23	692	3%	3%
TOTAL	**7,992**	**7,258**	**11,055**	**72%**	**66%**

2024 OPERATING EXPENSES (OPEX) USED BY THE TAXONOMY

Segment	Eligible OPEX (€ millions): A	Aligned OPEX (€ millions): B	Total OPEX (€ millions): C	Eligible proportion of OPEX: (A/C)	Aligned proportion of OPEX: (B/C)
Renewables	679	669	720	94%	93%
Networks	104	70	953	11%	7%
Energy Solutions	1,291	1,025	1,747	74%	59%
FlexGen & Retail	297	40	750	40%	5%
Nuclear	37	37	193	19%	19%
Other	0	0	22	0%	0%
TOTAL	**2,408**	**1,842**	**4,384**	**55%**	**42%**

2023 OPERATING EXPENSES (OPEX) USED BY THE TAXONOMY

Segment	Eligible OPEX (€ millions): A	Aligned OPEX (€ millions): B	Total OPEX (€ millions): C	Eligible proportion of OPEX: (A/C)	Aligned proportion of OPEX: (B/C)
Renewables	515	507	553	93%	92%
Networks	93	60	907	10%	7%
Energy Solutions	723	489	876	83%	56%
FlexGen & Retail	267	35	631	42%	6%
Nuclear	35	35	198	18%	18%
Other	-	-	6	0%	0%
TOTAL	**1,633**	**1,126**	**3,172**	**51%**	**35%**

In 2024, ENGIE recognized Taxonomy-eligible **Revenues** up slightly at 25% and 19% respectively due to the normalization of merchant activities, Taxonomy-eligible CAPEX of 68% and Taxonomy-aligned CAPEX of 62%, down compared to 2023 (72% and 66% respectively) due to the acquisition in 2023 of BRP in the United States (batteries activity) by the FlexGen & Retail GBU, and Taxonomy-eligible OPEX of 55% and Taxonomy-aligned OPEX of 42%.

In 2024, as was the case in 2023, these Group figures cover major disparities from one business line to another.

The majority of **Renewables GBU** activities are eligible (99% for revenues, 99% for CAPEX) and almost all are aligned (93% for Revenues, 99% for CAPEX).

The majority of **Energy Solutions GBU** activities are eligible (71% for revenue, 70% for CAPEX) and mostly aligned (61% for Revenues, 58% for CAPEX).

The activities of the **FlexGen & Retail GBU** are minimally eligible and aligned with the Taxonomy for Revenues (21%), whereas, thanks to the development of battery activities, CAPEX has become predominantly eligible and aligned (81% and 41% in 2024).

The activities of the **Networks GBU** are also minimally eligible and aligned. On the other hand, the three gas network activities (transport, distribution and storage) will gradually become eligible and aligned as they are converted to renewable gas and hydrogen storage.

Nuclear activities are eligible and aligned for those corresponding to drawing rights on French plants identified as eligible and aligned by EDF.

Lastly, the **Other** activities (including GEMS, which sells energy to companies, and which offers energy management services and solutions to support the decarbonization of the Group and its customers) are not eligible for the Taxonomy.

It should be noted that 87% of the 2025-2027 growth CAPEX plan (see 6.1.1.1.2 of Section 6.1.1 "Management report") is eligible and 82% is aligned, which is significantly higher than the percentages calculated across all CAPEX (growth and maintenance). These eligibility and alignment ratios in relation to growth CAPEX reflect the Group's commitment to a carbon-neutral economy, which is demonstrated through its financial investments. In addition, in its growth CapEx, ENGIE has taken into account the CapEx incurred to extend the life of the two nuclear units in Belgium from 2025 to 2035, in accordance with the agreement with the Belgian State, which is expected to close at the latest on March 14, 2025 (see Note 24.2 of Section 6.2.2 "Notes to the consolidated financial statements").

The Taxonomy analysis of the 2025-2027 CAPEX plan is presented in the tables below and includes the CAPEX indicator defined under the Taxonomy and the CAPEX growth indicator as monitored at Group level (see Note 5.6 of Section 6.2.2 "Notes to the consolidated financial statements").

CAPITAL EXPENDITURE (CAPEX) USED BY THE TAXONOMY

	2025-2027 plan		2024-2026 plan	
Segment	**Eligible proportion**	**Aligned proportion**	**Eligible proportion**	**Aligned proportion**
Renewables	100%	100%	100%	100%
Networks	31%	25%	31%	22%
FlexGen	95%	67%	71%	50%
Other activities	48%	44%	47%	38%
Capital expenditure used by the Taxonomy (growth and maintenance CAPEX)	**72%**	**67%**	**72%**	**65%**

GROWTH CAPEX

	2025-2027 plan		2024-2026 plan	
Segment	**Eligible proportion**	**Aligned proportion**	**Eligible proportion**	**Aligned proportion**
Renewables	100%	100%	100%	100%
Networks	71%	62%	76%	58%
FlexGen	100%	77%	96%	68%
Other activities	67%	58%	70%	62%
Growth CAPEX[1]	**87%**	**82%**	**90%**	**83%**

(1) (See Note 5.6 of Section 6.2.2 "Notes to the consolidated financial statements").

The calculation of eligibility and alignment in terms of 2025-2027 CAPEX is supported by expected expenditure for the Renewables GBU activities, which represent more than half of the Group's CAPEX. The tables presenting the standard templates used for information related to 2024 data on the Revenues, CAPEX and OPEX indicators according to the Commission Delegated Regulation (EU) No. 2021/2178 of July 6, 2021, as well as those containing the standard models for the publication of information related to nuclear and gas activities according to Commission Delegated Regulation (EU) No. 2022/1214 of March 9, 2022, can be found in Section 3.1.5.5 "Appendix – Taxonomy tables."

3.1.3 Social information [ESRS S1 to S4]

3.1.3.1 Respect for human rights [S1-1, S2-1, S3-1, S4-1]

This section describes the Group's human rights approach and applies to all the material negative human rights impacts identified in the framework of the double materiality assessment, informed by the risks identified via the vigilance process (see Section 3.2 "Vigilance Plan" for more information).

All IROs relating to own workforce, value chain workers, affected communities and consumers and end-users are described in Section 3.1.1.4.2. These IROs, along with the Group's specific commitments, policies, actions and targets are described in the sections on own workforce (Section 3.1.3.2), workers in the value chain (Sections 3.1.3.3 and 3.1.3.4), affected communities (Section 3.1.3.5) and consumers and end-users (Section 3.1.3.6).

The Group's human rights commitments

ENGIE undertakes to (i) uphold the human rights of all individuals and groups potentially affected by its activities and (ii) ensure that its activities are conducted in compliance with the highest standards of protection and, *at a minimum,* in accordance with the provisions of international laws protecting and defending human rights. These commitments are set out in the Group's Human Rights Vigilance Policy.

Our approach

ENGIE believes that human rights are fundamental to the just energy transition to which it aspires and which lies at the heart of its purpose. ENGIE's activities have a positive impact on many people and contribute to the development of the regions in which the Group operates. In particular, ENGIE provides access to energy and creates jobs in the countries where the Group operates. However, the positive impact ENGIE seeks to achieve can only be created if the rights of those affected by the company's operations and value chain are upheld.

Respect for human rights is central to ENGIE's Ethics Code of Conduct, its policies, especially its Human Rights Vigilance Policy, and its Vigilance Plan (see Section 3.2.), which was drawn up in accordance with French law on the duty of vigilance of parent companies and ordering companies. The Group's human rights commitments are also part of the Group's social dialogue, particularly in the context of ENGIE's Global Framework Agreement on Fundamental Rights and Social Responsibility, which was signed in January 2022. (see Section 3.1.3.2.3 "Working conditions and social dialogue"). This Agreement can be consulted at the following address: https://www.engie.com/en/news/international-social-agreement.

Various resources, including the Ethics Code of Conduct (available on the Group's website in 15 languages), training courses and handbooks (guide on combating sexual harassment and sexist acts), have been deployed to raise employee awareness of human rights matters, duty of vigilance responsibilities and the Group's Whistleblowing System.

More information on the human rights vigilance approach is available at: https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/human-rights-referential.

Group policies

[S1-1 21; S2-1 19; S3-1 17; S4-1 17] ENGIE's policies are aligned with internationally recognized standards pertaining to own workforce, value chain workers, affected communities and consumers and end-users, especially the UN Guiding Principles on Business and Human Rights.

To ensure compliance with its human rights commitments, meet regulatory requirements and manage the Group's human rights challenges, the Group relies first and foremost on its Human Rights Vigilance Policy – a cornerstone policy that covers all the potential negative impacts of its activities on people.

This section describes in greater detail the Human Rights Vigilance Policy and the Just Transition Policy which apply across the different social information sections.

Human Rights Vigilance Policy

[MDR-P] The purpose of ENGIE's Human Rights Vigilance Policy is to define the Group's human rights commitments and the means to ensure they are upheld. This policy is the foundation of the Group's vigilance approach for human rights.

It aims to identify, prevent and manage risks of human rights violations against all persons throughout the ENGIE value chain, particularly workers, communities, users and clients. It also seeks to ensure that human rights incidents are dealt with effectively.

[MDR-P]	Human Rights Vigilance Policy
Scope of application	It applies to all companies controlled by ENGIE SA. The risk identification and management requirements cover all the Group's activities, as well as those of its business partners in the course of their activities for the Group.
Accountable for implementation	The Ethics, Compliance & Privacy Department, reporting to the ENGIE Group's Legal & Ethics Department, itself under the oversight of the Corporate Secretary, is responsible for the implementation of this policy. It is implemented within the GBU and entities by the legal and ethics functional line and other relevant departments.
Relevant third-party standards or initiatives	• International Bill of Human Rights, comprised of the 1948 Universal Declaration of Human Rights, the 1966 International Covenant on Civil and Political Rights and the 1966 International Covenant on Economic, Social and Cultural Rights; • Fundamental conventions of the International Labor Organization (ILO); • UN Guiding Principles on Business and Human Rights; • OECD Guidelines for Multinational Enterprises; • ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy; • United Nations Global Compact.
How the policy is made available	• The policy is available on the ENGIE website (https://www.engie.com/sites/default/files/assets/documents/2024-12/Human%20Rights%20Vigilance%20Policy%202024%20EN.pdf), and was updated in 2024; • A training course provided by the Ethics, Compliance and Privacy Department on the Group's human rights approach and an e-learning module are also designed to bring this policy to the attention of all employees.

Just Transition Policy

The Just Transition Policy is an integral part of the Group's purpose. The notion of a "just transition" stems from the belief that a shift to a sustainable, lower-carbon economy can only take place if social concerns are taken into account. The transition should be conducted in a way that is fair to all stakeholders – own workforce, value chain workers, affected communities, consumers and end-users – and strive to minimize the negative effects, while maximizing the positive ones.

A just transition therefore means managing restructuring in a responsible manner by creating a common set of guarantees for employees affected by a plant closure and helping them to improve their employability through skills development. It also means contributing to the economic and social vitality of host regions by creating projects and supplying affordable energy. Lastly, it helps make the regions more resilient and less vulnerable by preserving natural resources and local communities.

[MDR-P]	Just Transition Policy
Scope of application	All the Group's activities, as well as the upstream chain. It covers consolidated financial reporting entities.
Accountable for implementation	The Group's ESG Department.
Relevant third-party standards or initiatives	2015 Paris Climate Agreement. Guiding principles of the International Labour Organization (ILO).
How the policy is made available	The Policy is available on ENGIE's website at the following address: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE - Just Transition Policy.pdf

Preventing and managing adverse human rights impacts

[S1-1 20c; S2-1 17c; S3-1 16c, S4-1 16c] The Human Rights Vigilance Policy includes vigilance processes at both the Group and operational levels to ensure that human rights risks are managed across the entire organization. Each GBU and entity ensures that the Group's human rights commitments are upheld within its sphere of activity. Depending on the risks identified, they are asked to:

- conduct an annual human rights risk assessment via the Group's Enterprise Risk Management (ERM) process and implement action plans for any risks identified;
- conduct a preliminary assessment of the human rights risks associated with new business activities (new project or business relationship);
- ensure that their business partners comply with the Group's commitments;
- raise awareness among employees, at least those most concerned, of human rights issues they may encounter in the performance of their duties;
- establish dialogue and grievance mechanisms for stakeholders potentially affected by their activities;
- disseminate the existence of the Group's Whistleblowing System and report any incident relating to human rights in accordance with internal processes.

Monitoring to confirm the proper application of the Human Rights Vigilance Policy and the rollout of the required actions is built into the Group's ethical compliance processes (see Section 3.2.1.1 "Preventing and managing risks related to human rights" and Section 3.1.4.1.7 "Controls and certifications" for more information). These mechanisms make it possible to ensure that the human rights vigilance approach is being effectively carried out and to define, if necessary, any additional control measures, such as internal or external audits.

Prevention and management measures for addressing adverse human rights impacts on the company's workforce, workers in the ENGIE value chain, communities potentially affected by the Group's activities and consumers and end-users are described in detail in the sections concerning own workforce (Section 3.1.3.2), workers in the value chain (Section 3.1.3.3 and 3.1.3.4), affected communities (Section 3.1.3.5) and consumers and end-users (Section 3.1.3.6).

Procedures for remedying negative impacts and Whistleblowing System

[**S1-3 32; S2-3 27; S3-3 27; S4-3 25]** Under its Human Rights Vigilance Policy, the Group makes every effort to receive and handle reports on the potential negative impact of its activities on human rights, while making sure that the rights of the persons concerned are respected.

[S3-3 28, S1-3 33, S2-3 28, S4-3 26] ENGIE has put in place reporting channels for individuals to directly communicate their concerns or needs and request remediation. External stakeholders are informed about the existence of local and Group-level grievance mechanisms. Information on the Group's Whistleblowing System, the Group's managerial tool for reporting ethics incidents and the way the Group tracks and monitors issues raised and addressed and ensures the effectiveness of the channels is described in Section 3.1.4.1.5 "Whistleblowing and reporting of ethics incidents."

The relevant details of the specific channels are described in the sections on own workforce (Section 3.1.3.2), workers in the value chain (Section 3.1.3.3 and 3.1.3.4), affected communities (Section 3.1.3.5), and consumers and end-users (Section 3.1.3.6).

3.1.3.2 Own workforce [ESRS S1]

3.1.3.2.1 Introduction [ESRS S1 SBM-2, ESRS-S1 SBM-3, S1-1, S1-3, S1-4, S1-6]

A company's success is measured not only by its economic performance, but also by the extent to which its employees share its vision and ambitions. The ENGIE Group places the development of its human capital at the heart of its HR strategy.

HR actions are aimed at attracting, developing, promoting and retaining the best talent. The integration of sustainability and transparency criteria requires constant adaptation of policies on recruitment, diversity and inclusion, development and training, career development and talent retention.

Overview of ENGIE Group employees

At December 31, 2024, ENGIE employed 97,967 people in more than 30 countries, with a strong presence in Europe (77% of employees), particularly in France (47%).

(For more details, see Section 3.1.3.2.2 "ENGIE Group employees".)

Interests and views of Group employees

[SBM-2 12] As described in Section 3.1.2.3 "[SBM-2] Stakeholder involvement" of the first section "General disclosures", ENGIE Group employees are one of the eight categories of stakeholders identified by the Group, which adapts its dialogue to their specific needs.

Each year, the ENGIE&Me internal survey anonymously collects employees' views on their relationship with the company and their perception of how their interests are considered in the Group's strategy. The engagement of the Group's employees has remained constant or improved since 2022, reaching a sustainable engagement rate of 87% in 2024.

As part of the double materiality assessment, employees and the employee representatives who accepted the Group's invitation to take part were interviewed to obtain their qualitative comments on sustainability matters.

Material IROs and their interaction with ENGIE's strategy and business model [SBM-3]

The results of the double materiality assessment reflect the important role of employees in the Group's strategy. Four positive impacts, five negative impacts and six material risks were identified.

The table below summarizes these impacts and risks by sustainability matter:

Positive impacts	Negative impacts	Risks
WORKING CONDITIONS AND SOCIAL DIALOGUE *(see Section 3.1.3.2.3 "Working conditions and social dialogue")*		
• Group employees may benefit in the short, medium and long term from improved working conditions and fundamental rights, notably through the Global Framework Agreement on Fundamental Rights and Social Responsibility and protection, as well as through the Group's energy transition efforts, which promote healthier and safer activities and working environments.	• Deterioration of social dialogue and wage negotiations, particularly in a context of the Group's transformation/strategic development and/or changes in the laws and regulations applicable to its activities.	• Legal risk (payment of fines, legal costs and damages) in the event of non-compliance with regulations (workers' rights). • Uncontrolled increase in the cost of social benefits provided to former employees (pensions, etc.).
DIVERSITY, EQUITY AND INCLUSION *(see Section 3.1.3.2.4 "Diversity, equity and inclusion")*		
• The Group's commitment to diversity, equity and inclusion, driving positive impacts on society.	• Exposure of employees or job applicants to the risk of discrimination, harassment or prejudice in the workplace.	• Legal risk (payment of fines, legal costs and damages) in the event of non-compliance with applicable laws and regulations.
TALENT AND SKILLS *(see Section 3.1.3.2.5 "Talent and skills")*		
• Development of employees' skills to improve their employability and advance their careers (e.g., sustainable transition, digitalization). • ENGIE's contribution to improving expertise and adapting its workforce to new professions, as well as integrating marginalized people through new work opportunities in a context of transformation.	• Potential job losses related to the evolution of ENGIE's business model, changes in the labor market and the introduction of disruptive technologies such as generative AI.	• Risk of mismatch between resources/skills and the positions to be filled (risk of shortage of qualified people, unavailability of flexible personnel to meet needs, loss of key skills in the event of departure, mobility or recruitment in unattractive locations).
HEALTH & SAFETY OF EMPLOYEES *(see Section 3.1.3.2.6 "Health & safety of workers")*		
	• Exposure of workers to risks likely to affect their physical integrity (accidents, health risks and work-related ill health). • Exposure of workers to risks that may affect their psychological integrity (psychosocial risks).	• Legal risks (fines, costs of proceedings, damages) if the Company is found guilty. • Risk to the Group's reputation in the event of serious accidents (including industrial accidents) or allegations of serious incidents.

[SBM-3 13a, b] The Group's double materiality assessment identified actual or potential impacts and risks resulting from or influencing the Group's strategy or business model.

- two negative impacts directly related to the Group's business model: deterioration of social dialogue and wage negotiations and potential loss of jobs;
- one positive impact on employee training, resulting from ENGIE's strategic choices;
- risk of mismatch between resources/skills and positions to be filled, linked to changes in the Group's business model.

[SBM-3 14e] ENGIE supports the transformation towards more environmentally friendly operations, with the aim of achieving carbon neutrality. Amid restructuring to ensure the energy transition of sectors related to fossil fuels, the Group is committed to anticipating and minimizing the potential social impacts on its employees. This development involves certain risks, such as "the potential loss of jobs linked to the evolution of ENGIE's business model, changes in the labor market and the introduction of disruptive technologies such as generative AI". It can also result in a "mismatch between available skills and new needs, leading to shortages of qualified personnel and the loss of key know-how in the event of departures or geographical mobility". Recognizing these challenges, ENGIE also sees this transformation as an opportunity to create jobs and strengthen the skills of its employees. By investing in training, the Group supports the employability and professional development of its teams.

[SBM-3 14b] The Group regularly analyzes negative impacts that may affect employees, such as health & safety issues, pay inequalities and discrimination. Identifying and managing these impacts is a key aspect of the Group's vigilance approach with respect to human rights, as described in Section 3.1.3.1 "Respect for human rights". Among the negative impacts identified in the double materiality assessment, that relating to the deterioration of social dialogue and wage negotiations is temporary, as it only concerns specific events and time periods (e.g., external or internal reforms), while those relating to diversity, equity and inclusion, and talent and skills development are systemic.

[SBM-3 14d] Addressing risks arising from impacts on its own workforce is essential to the Group's long-term viability. Having a skilled, motivated and market-driven workforce is critical to maintaining and strengthening the Group's competitiveness. In addition, ENGIE's ability to manage labor relations, integration and skills development directly influences its resilience and ability to meet growing demand for sustainability and social responsibility.

Thus, the risks identified (legal, loss of talent, skills mismatch, social tensions) are an integral part of the company's risk management strategy, while the positive impacts (better working conditions, inclusion, talent development) are leveraged to strengthen the competitiveness and sustainability of ENGIE's business model.

Affected employees and Group activities

[SBM-3 14a] The Group distinguishes between the different categories of employees within its workforce that may be adversely affected, namely:

- ENGIE Group employees with permanent contracts;
- ENGIE Group employees with fixed-term (temporary) contracts;
- ENGIE Group employees with non-guaranteed hours contracts;
- apprentices.

These categories are systematically included in analyses to ensure that each worker enjoys a safe and equitable working environment.

[SBM-3 14c] At the same time, initiatives are implemented to promote positive impacts for all employees, notably through training programs, talent, pay and inclusion policies.

[SBM-3 15] The Group also takes into account the greater exposure or vulnerability of certain employees or specific groups of employees to the risk of negative impacts due to their characteristics, work environment or functions. This is the case for women, persons with disabilities and migrant workers. The Group is particularly vigilant when operating in countries or areas considered "high risk" in terms of human rights, such as conflict zones.

[SBM-3 16] Based on the results of the Group's double materiality assessment, no impact or risk applies only to a specific group of more vulnerable employees.

Forced labor, compulsory labor and child labor

[SBM-3 14f, g] ENGIE has not identified any significant risk of forced labor, compulsory labor or child labor. While AMEA is one of the Group's geographic areas that may be considered at risk, the type of activities carried out by the Group requires a skilled workforce, which significantly reduces the risk of forced, compulsory or child labor.

Channels for own workers to raise concerns [S1-3]

[S1-3 32a, e, 33]

All employees are made aware of the ENGIE Whistleblowing System (Ethics Code of Conduct, intranet, website, training courses, posters, etc.).

In addition, Group employees can of course communicate their concerns to employee representatives. Specialized helplines are also available, such as *Allodiscrim* and in France.

Any Group employee can report acts or behavior that may undermine the integrity and/or rights of individuals via the ENGIE Whistleblowing System. Information on ENGIE's Whistleblowing System, and the way the Group tracks and monitors issues that have been raised and addressed and ensures the effectiveness of the channels, is described in Section 3.1.4.1.5.

3.1.3.2.2 Detailed presentation of ENGIE's employees [S1-6]

Geographical distribution of the Group's employees

[S1-6 50a, AR 55] Operating in more than 30 countries, ENGIE had 97,967 employees at the end of December 2024[1], France being the only country representing more than 10% of the total workforce.

[S1-6 50f] The corresponding personnel costs amounted to €8,623 million in 2024 (see Note 8.2 "Personnel costs" in Section 6.2.2 "Notes to the consolidated financial statements").

Country	Number of employees (headcount)	% of the Group's total workforce
France	46,509	47%
Belgium	8,078	8%
Germany	5,887	6%
Romania	4,546	5%
United States	3,228	3%
Italy	3,162	3%
Brazil	2,809	3%
Singapore	2,019	2%
U.A.E.	1,702	2%
Spain	1,694	2%
Other	*18,333*	*19%*

(1) *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7 "Number of employees (headcount)").*

Group workforce by gender

[S1-6 50a, AR 55] At December 31, 2024, the Group had 71,709 male employees, representing 73% of the Group's total workforce, and 26,220 female employees[1], representing 27% of the total workforce.

Gender	Number of employees (headcount)
Male	71,709
Female	26,220
Other	4
Unspecified	34
TOTAL EMPLOYEES	**97,967**

Group workforce by type of contract

[S1-6 50b, 51, 52, AR 55] At December 31, 2024, 92% of the Group's workforce, or 90,114 employees, were on permanent contracts ("permanent employees")[2]. 8%, or 7,806 employees, were on fixed-term contracts ("temporary employees")[3]. The remaining 47 employees are under contract with a non-guaranteed number of hours.

	Total number of employees (headcount)	Total number of permanent employees	Total number of temporary employees	Total number of non-guaranteed hours employees
Women	26,220	24,006	2,205	9
Men	71,709	66,075	5,596	38
Other	4	4		
Unspecified	34	29	5	
TOTAL	**97,967**	**90,114**	**7,806**	**47**

	2024			
	Total number of employees (headcount)	Total number of permanent employees	Total number of temporary employees	Total number of non-guaranteed hours employees
France	46,509	42,535	3,972	2
Europe (excl. France)	28,986	27,544	1,408	34
Latin America	6,372	6,211	159	2
United States & Canada	3,292	3,276	14	2
Middle East, Asia & Africa	12,808	10,548	2,253	7
TOTAL	**97,967**	**90,114**	**7,806**	**47**

Group workforce turnover rate

[S1-6 50c] In 2024, 8,125 employees left the Group. The turnover rate at the end of 2024 was 8.35%.

Reasons for leaving	2024
Mutually agreed termination	938
Death	14
Dismissals	1,011
End of trial period	578
Resignations	4,417
Retirement and early retirement	1,167
TOTAL	**8,125**

[S1-6 50d] The data in these reports are consolidated under headcount.

Definition of the reporting scope

[S1-6 50e, f] The reporting scope of social data is the Group's financial scope of consolidation and takes into account the criteria of capital control and significant influence exercised by the ENGIE Group over its subsidiaries.

(1) *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7 "Number of female employees").*
(2) *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7 "Number of permanent employees").*
(3) *Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7 "Number of temporary employees").*

Methodology for the reporting of quantitative data

A standardized methodology guarantees the consistency of consolidated social data, their comparability between entities and their relevance on an international scale. Definitions, sources and scopes are harmonized in a common Group reference system through an operational manual shared with all entities.

Collection tool

For local entities and subsidiaries controlled by the Group, with the exception of a few Group companies, social data on employee flows and training are collected daily from a centralized global HR information system. These consolidated data are reported quarterly in the Group social reporting via a dedicated consolidation tool. It centralizes data on fixed and variable pay, contractual hours and part of the benefits in kind of all employees of the Group. However, it cannot be used to create a single database containing individual pay data for each employee.

Information on working conditions and contingent workers is reported directly by the entities on a quarterly basis via the same social data consolidation tool.

For the regulated entities (GRDF, GRT Gaz and CNR), due to regulatory requirements that limit the pooling of their information systems with the rest of the Group, the entirety of their social data is entered via the consolidation tool on a quarterly basis.

Quantitative data collection process

The governance of social metrics is based on a clear, hierarchical organization:

- **local level:** each subsidiary is responsible for collecting social data in accordance with the guidelines and tools provided by the Group;
- **regional level:** data are reviewed and validated by regional coordinators to ensure their quality and compliance with standards;
- **Group level:** data are centralized and the metrics analyzed at Group level, before being submitted to the Group's departments and committees.

Resources and governance

The ENGIE Group devotes specific resources to managing material impacts on its employees, focusing on three priority areas: working conditions and social dialogue, diversity and inclusion (DEI) and talents and skills. These resources are presented in their respective subsections.

3.1.3.2.3 Working conditions and social dialogue [S1-1, S1-2, S1-4, S1-5, S1-8, S1-10, S1-11, S1-15]

Social dialogue [S1-2, S1-4, S1-5, S1-8]

In its various forms (informal exchanges, discussions, negotiations, consultations, etc.), social dialogue between the Group and its employees, either directly or through their representatives, is both a driver of economic performance and an essential element of ENGIE's strategy.

Such dialogue makes it possible to gather the views of employees and integrate them into the Group's developments in order to improve working conditions for the entire workforce.

Explaining, clarifying and discussing the Group's policies, transformations and restructuring projects and their impacts on employees are essential steps in their implementation.

Whether it takes place within the institutional framework of mandatory negotiations (generally on wages, working hours or restructuring) or spontaneously and constructively, social dialogue is an essential means of preventing tensions and conflicts and in that way contributes directly to preventing and attenuating material negative impacts on company staff. ENGIE's approach to social dialogue, based on good faith, transparency and anticipation of stakeholders' needs, helps to prevent and mitigate negative impacts on employees and risks of non-compliance.

Processes [S1-2]

Social dialogue at different levels of the Group

[S1-2 27a, b, c] In recent years, the Group has developed a robust culture of social dialogue at all levels of the organization:

- **at local level:** within the entities, on a frequent and multi-year basis, with trade unions and/or employee representatives and local management representatives, at the most relevant level (company, plant, region, site, etc.);
- **at country level:** two meetings are held each year between the country manager (for European countries) and the country employee representatives; in France, these meetings take place within the framework of the French Group Works Council, a joint body at Group level;
- **at European level:** the European Works Council (EWC) meets at least twice a year, on top of regularly organized working groups (on social issues, health & safety, etc.). The EWC has prerogatives derived from European regulations that have not yet been transposed into French law, and supra-legal resources;
- **in regions outside Europe:** meetings are held with the regional HR representatives as needed. Similarly, at Global Business Unit (GBU) level, meetings are held with employee representatives as needed;
- **at global level:** a forum for dialogue, the Global Forum, chaired by the Group's Chief Executive Officer, meets annually in the presence of international federations and their designated members.

The social dialogue bodies regularly present the strategic orientations of the Group, the GBU and/or the entity to trigger the exchanges necessary for their adoption. Transformation and/or restructuring projects are also presented before a final decision is made and the project goes ahead, in accordance with local legislation.

The EWC is specifically consulted on a multi-year basis on the Group's orientations on a wide range of issues: research and innovation policy, public-interest missions, social and environmental responsibility policy (including climate pathway and energy transition), health & safety policy, working conditions, hygiene and health, and the Group's social policy in relation to restructuring. As part of the Group's transformation, regular and extraordinary meetings are scheduled to allow employee representatives to issue informed recommendations and opinions as necessary.

Global Agreement

[S1-2 27d] The Group, international federations and French trade unions negotiated and signed an agreement in January 2022 on ENGIE's fundamental rights and social responsibility. This agreement ("Global Agreement") incorporates the expectations of the workforce as expressed by employee representatives and applies to the ENGIE Group workforce worldwide, regardless of the type of employment contract.

The Global Agreement contains commitments on ethics and duty of vigilance, anti-harassment, safety, workplace well-being, diversity and inclusion, skills development and training, and more. It enables the application of high standards in terms of labor relations and workers' rights through regular, open and constructive social dialogue at all levels. The Global Forum mentioned above is a social dialogue forum responsible for monitoring and implementing commitments defined under this agreement.

Evaluation of the effectiveness of social dialogue

[S1-2 27e] ENGIE evaluates the effectiveness of its social dialogue through:

- the quality of exchanges within the various local, national, European and global bodies or committees, as well as in day-to-day social dialogue: informal warnings to prevent a situation from escalating, sharing of files before they are formally submitted to decision-making bodies, regular meetings with representative trade unions to discuss results, future projects, employee complaints or specific situations to be examined;
- the number of agreements signed at different levels of the Group depending on the scope of the proposed agreement;
- the number of labor disputes (and their duration, number of strikers, number of hours/days lost) and their impact on the Group's industrial facilities, customers and stakeholders. Among these conflicts, those that are directly linked to the policies and decisions of the Group or Group entities are particularly revealing of the effectiveness of internal social dialogue.

[S1-2 28] The ENGIE&Me survey, carried out by an external service provider to ensure the confidentiality of the results, gathers the views of all employees.

The results for 2024, with a participation rate of 82%, show:

- a high level of employee support for the Group's developments, in particular its decarbonization strategy (88% positive responses);
- high levels for several metrics relating to working conditions: recommendation of ENGIE as an employer (85%), employees' ability to perform their job efficiently (88%) and job satisfaction (83%);
- 93% of the Group's employees consider that the ethical rules set out in the Group's Code of Conduct are well-known and respected.

The results of the survey are used to identify priority actions. The resulting action plans are defined by Executive Management and presented to all management levels of the operating entities, which are responsible for their operational implementation.

In addition, each Group People Manager responsible for a team of more than 10 respondents (to maintain confidentiality) receives an analysis of his/her team's engagement. He/she is responsible for presenting it to his/her team and developing an action plan.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Revision of the Global Agreement	Action initiated in 2024	• Definition of a new coherence framework for the renewal of the Global Agreement	All Group employees	H2 2025
• Mapping agreements in each country	Action forthcoming	• Have a clear view of negotiations by country	All Group employees	2026

[MDR-A 68d, 69a, b, c] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) depending on the type of activities in order to implement the above action plans. However, due to the nature of the expenditure involved, these action plans are considered to have a potentially immaterial financial impact.

Social dialogue as a tool to support strategy/restructuring

In 2024, the number of restructuring operations identified and defined as related to the just transition represented approximately 5% of the Group's employees.

The main countries concerned were Saudi Arabia, the United Arab Emirates, Qatar and Chile.

The ENGIE Group pays particular attention to the transformation of jobs in the context of the energy transition and to support measures for the employees affected.

[S1-4 38a] In 2024, the Group's actions in this area enabled it to carry out restructuring operations in a constructive and responsible manner, where necessary with the conclusion of collective agreements to define restructuring support measures, particularly in the case of projects with impacts on employment, in addition to the measures established by the European Labour Relations Agreement of 2016:

- in France, a collective redundancy agreement was signed with all representative trade unions for the transformation of ENGIE Impact;
- at European level, the material conditions for supporting job cuts or business transfers/disposals are the subject of discussions and consultations with employee representatives and/or trade unions to determine a socially responsible level of support measures.

[S1-4 39, 43] In Europe, the Group's European Labour Relations Agreement and the EWC operating agreement provide for a social diagnosis process involving the consultative bodies prior to the official launch of any proposed restructuring operations with an impact on employment. This process includes a phase of dialogue with the trade unions or the EWC secretariat to present the project, its impact and its timetable in the form of possibilities, thus making it possible to:

- compare the impact analyses carried out by the Group and the social partners, in particular with regard to psychosocial risks and change management, in order to adapt the support system planned in relation to these issues;
- understand the expectations of the social partners with regard to the project and, where appropriate, adapt the content, implementation schedule, information and consultation process, and documentation to be provided to the relevant representative bodies;
- provide information on the project's scope and any relevant initial commitments regarding employment and social measures or guarantees as early as possible in order to minimize potential employee concerns.

[S1-4 38b, AR 43] This social diagnosis may, for example, lead to the integration of a support system (training, adaptation of activities, etc.) and/or to the implementation of social measures in the case of organizational and job changes. Such measures may include mobility bonuses, compensation for pay gaps, coverage of relocation expenses, job search assistance for spouses, etc.

[S1-4 41] In addition, projects of this nature routinely include a psychosocial risk prevention and change management program. A special system is in place for people managers (communication kits, Q&A, etc.) to help them answer employees' questions.

[S1-4 38d] All these measures are monitored in social dialogue bodies, including with the support of accredited experts and/or within the framework of as-needed monitoring committees.

Transparency and anticipation

[S1-4 40a] ENGIE promotes social dialogue in full compliance with local labor law and regulations and with its own commitments. This is reflected in:

- participation in mandatory institutional exchanges, particularly for wage negotiations;
- commitment to submit projects likely to cause impacts on personnel to the relevant authorities in a timely, transparent and proactive manner;
- provision to the social partners of the resources and prerogatives they need to fulfill their role, including funding from external resources;
- constant vigilance over the proper application of agreements reached with employee representatives, at least through agreement monitoring committees (meetings generally held annually).

Targets and metrics [S1-5, S1-8]

Targets related to social dialogue bodies

[S1-5 44] To avoid negative impacts on employees and any risk of non-compliance, targets related to the frequency and number of meetings between employees and/or their representatives and the Group are associated with the social dialogue bodies operating at the different levels of the Group (as described in the "Processes [S1-2]" subsection of this Section).

[S1-5 47a, b, c] At European level, in accordance with the EWC operating agreement, EWC members receive regular information on the life of the Group and its economic, financial and social strategies.

Presentations are made once a year at ordinary plenary sessions on the following topics:

- the Group's strategy (trajectory and outlook);
- the Group's structure and development;
- the Group's economic and financial position and prospects (including investments), with the presentation of the consolidated financial statements and the statutory auditor's report;
- the Group's social policy and the outlook (professional equality, training, mobility, etc.) based on information from the Group Social Reporting system;
- business development and its impact on employment within the Group;
- the Research & Innovation Policy;
- the ESG Policy (including climate pathway and energy transition);
- the annual report on the Group's Vigilance Plan.

In addition, the Group's Chief Executive Officer presents Group news and a review of the health & safety situation at each ordinary meeting. This topic is also specifically addressed at the biannual EWC working group meetings.

Collective bargaining coverage and social dialogue

[S1-8 60a] The Global Framework Agreement on Fundamental Rights and Social Responsibility applies to all Group employees without exception.

[S1-8 60b] The European Labour Relations Agreement applies to all Group employees based in Europe.

[S1-8 60c] The Group is implementing a process to determine the percentage of employees covered by collective agreements by region (excluding the European Economic Area).

Local agreements generally establish monitoring committees composed of employee and management representatives that meet at defined intervals throughout the life of the agreement. They analyze the actual implementation of the provisions of the agreements and define action plans in the event of failure or risk of failure to achieve the objectives.

[S1-8 63a] The European Works Council, which comprises at least one employee representative for each European country in which the Group operates, is responsible for 100% of the Group's entities and employees in Europe. In addition to the institutional social dialogue provided for in each company, in application of legal or negotiated standards, ENGIE has set up a social dialogue body for each country, which meets twice a year on the initiative of the Country Manager.

[S1-8 63b] The operating agreement of the ENGIE European Works Council, revised in July 2023, already incorporates the provisions of the draft European directive on consultation and associated resources: working groups, country discovery missions, delegation time necessary to carry out the related work, etc.

Respect for employee rights: social protection, employee savings and employee share ownership [S1-1, S1-4, S1-5, S1-10, S1-11, S1-15]

ENGIE is committed to providing quality working conditions for all its employees. It has also adopted a pay policy that it seeks to be attractive and competitive, supplemented by social protection programs for its entire workforce worldwide.

Policies [S1-1]

Human Rights Vigilance Policy

[S1-1 20a] Section 3.1.3.1 “Respect for human rights” describes ENGIE’s overall approach to respect for human rights, as well as the Group’s Human Rights Vigilance Policy.

As part of its ethical commitments and its Global Framework Agreement on Fundamental Rights and Social Responsibility, ENGIE and its subsidiaries undertake to respect internationally recognized standards regarding human rights, trade union rights and labor rights in all their activities. The Global Agreement is described in Section 3.1.3.2.3 “Working conditions and social dialogue”, subsection “Processes.”

[S1-1 20c] Potential impacts on the human rights of employees are managed chiefly through a human rights vigilance process, as described in Section 3.1.3.1 “Respect for human rights”.

[S1-1 21] The Group’s policies, in particular the Human Rights Vigilance Policy, are based on international standards for the protection of human rights that the Group has committed to respect as a minimum, regardless of local legislation, as described in Section 3.1.3.1 “Respect for human rights”.

[S1-1 22] The Human Rights Vigilance Policy explicitly addresses all forms of slavery, human trafficking, forced or compulsory labor and child labor.

One ENGIE Compensation Policy

[S1-1 17] The One ENGIE Compensation Policy includes fixed and variable components, a social protection system and pension plans.

The pay policy for senior executives at Group level is harmonized, as that of managers has been since 2023, while respecting local specificities.

[MDR-P 65a] This policy, known as the One ENGIE Compensation Policy, is managed by the Group Human Resources Department. Its aim is to offer all Group employees pay that is:

- **fair**, based on clear and documented rules and processes, and objective and measurable criteria so that employees can understand how it works. It ensures that pay gaps linked to discriminatory factors are avoided and that applicable social minimums are respected;
- **competitive** in relation to benchmarks, in terms of both pay and benefits: these criteria are based on external information provided by specialized firms (such as Willis Towers Watson, Mercer and Korn Ferry);
- **performance-based:** the variable portion includes a strong and direct link with individual and collective performance so that employees are rewarded for their contribution to the Group’s results.

The One ENGIE Compensation Policy thus ensures that the motivation and engagement of the Group’s employees are promoted with a long-term perspective.

[S1-1 20b] The One ENGIE Compensation Policy performance metrics are aligned with the Group’s priorities. For the collective component, they reflect the priorities defined by the Board of Directors for the year. The collective component is designed to foster employees' engagement and commitment to the success of their company, with performance criteria measured according to financial/operational and non-financial criteria defined in the company’s strategic plan and annual medium-term plan.

[MDR-P]	One ENGIE Compensation Policy
Scope of application	All Group employees.
Accountable for implementation	Group Human Resources Department.
How the policy is made available	The One ENGIE Compensation Policy for base salary and variable pay is available to all employees on the Group’s intranet site.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Award performance shares (LTI)	Action initiated in previous years	• Give employees a stake in the Group's results and develop their sense of belonging • Retain employees • Make total pay more attractive and competitive	5,000 Group employees	Annual
• Map the pension plans set up in the Group's subsidiaries	Action initiated in previous years	• Review of pension plans across the Group to identify potential financial risks and implement related action plans and/or potential synergies	All Group employees	H2 2025
• Implement profit-sharing and incentive agreement	Action initiated in previous years	• Give employees a stake in the results of their entity and develop their sense of belonging • Make the total pay package more attractive and competitive	Employees in France	Annual
• Promote employee share ownership through the LINK plan	Action initiated in previous years	• Develop the Group's employee share ownership policy • Give employees a stake in the Group's results and develop their sense of belonging	All Group employees	Bi-annual
• Implement the ENGIE Care Program	Action initiated in 2024	• 100% of employees covered across all four pillars by the end of 2024 • Implement an ambitious social protection policy that illustrates ENGIE's social commitments and sets it apart in most countries	All Group employees	First four pillars: by the end of 2024 Pillar 5: under evaluation

[MDR-A 68d, 69a, b, c] The Group adapts the allocation and level of its resources (in particular OPEX) according to the nature of its activities in order to implement the above action plans. With the exception of the actions related to the mapping of pension plans, which generate OPEX that are not considered to have a material financial impact, the resources allocated in 2024 related to the profit-sharing and incentive agreement and employee share ownership via the LINK plan are detailed in Note 19 of Section 6.2.2 "Notes to the consolidated financial statements".

Financial risk management mechanisms

[S1-4 38a, b] Pensions are among the most exposed to financial risks of the benefit plans recognized in the Group's social liabilities. The Group has therefore put in place a process to closely monitor these costs and the associated financial risks: detailed mapping of the pension plans set up in the subsidiaries is currently being prepared, together with a joint analysis by the Group's Finance and Human Resources Departments.

With the same objective of risk prevention, the Group applies strict rules to other pay mechanisms, particularly in the event of an employee leaving the company:

- **savings plans:** former employees can keep their savings in their account but must bear the direct management costs;
- **long-term incentive plans:** securities in the process of vesting lapse;
- **incentive and profit-sharing plans:** these plans are only available to employees who are salaried for the fiscal year in question, in proportion to their time and pay. There is therefore no risk of uncontrolled cost increases, especially since the calculation formulas are capped;
- **social protection:** if a departing employee is entitled to unemployment insurance benefits, the cost of the transfer of social security and health guarantees is borne by the active employees' insurance. The price is calculated accordingly by the insurance company, meaning that the risk is completely under control. Retired employees are no longer eligible for coverage once they retire. While they can request to maintain their health care plan, they are responsible for the full cost. There is therefore no associated financial risk for ENGIE.

Pay arrangements

- **Group employee savings plans:** the ENGIE Group mainly uses dedicated funds with strong involvement in the joint governance of the supervisory boards of the various funds.
- **Savings plans:** in France, the Group's employees have had access to a single Group Savings Plan (*Plan d'Épargne Groupe* – PEG) since the end of 2009. At the end of 2024, the plan had assets of more than €1.77 billion. Provisions have also been introduced in certain countries outside of France, allowing salaried employees to save under terms adapted to local laws.

- **Retirement savings plans:** since 2010, all employees in France have been able to build funds for retirement at their own pace through contributions to the Collective Retirement Savings Plan (*Plan d'Épargne pour la Retraite Collectif* – PERCOL). In 2024, a first rider, signed by three unions, offered a new way to invest any value-sharing bonus. Outside France, plans exist in some countries that allow employees to add to their pensions by making voluntary contributions on favorable terms.
- **Profit-sharing and incentive plans:** due to the coexistence of separate legal companies, the Group does not have a single profit-sharing and incentive system. Collective variable pay systems are developed in the subsidiaries. In 2024, the overall volume of employee profit-sharing, incentive plans and employer contributions (in the event of allocation to both the PEG and the PERCOL) of the different French subsidiaries was more than €180 million.
- **Employee share ownership:** 4% of the Group's shares are held by employees. Details of the shares they hold, directly or indirectly, are provided in Section 5.4.2.2 "Details of shares held directly and indirectly by employees". In 2024, a new employee share ownership offering in more than 20 countries saw a significant increase in the number of subscribers. ENGIE's contribution under the LINK program came to €13.8 million.
- **Performance shares and long-term incentives:** ENGIE grants performance shares, as described in Section 4.2.6 "Award of performance shares". These shares, which have a vesting period of three years, are subject to internal and external performance conditions. The plan is not limited to senior executives, and nearly 5,200 employees worldwide have benefited from it. The new plan implemented in 2024 includes new performance conditions in line with ENGIE's strategy and ambitions, particularly in the area of ESG (30% of total performance conditions, an increase of 10 points compared with the previous plan).

Social protection

- **Retirement:** the Group uses a unique digital tool to map, benchmark and evaluate its social protection and pension plans, facilitating the pooling and as such the optimization of these programs. The entities also have access to international insurance networks which provide optimized subscription options, with the potential to share local and global surpluses.
- **ENGIE Care program:** in 2020, ENGIE launched its ENGIE Care program, establishing a minimum level of social protection for all employees, regardless of their status, employer or the country to which they belong. It was integrated into the Global Framework Agreement on Fundamental Rights and Social Responsibility in 2022.

  All employees were thus able to benefit from:
  - health coverage guaranteeing reimbursement of at least 75% of costs in the event of hospitalization;
  - protection for their family or loved ones in the event of the employee's death in the form of a benefit equal to at least 12 months' salary;
  - payment of a capital amount equivalent to at least 12 months' salary, in the event of total and permanent disability to work;
  - full wage paid for a minimum of 14 weeks in the event of maternity leave and a minimum of four weeks for paternity leave.

The last pillar, parenthood, helps to strengthen work-life balance and equal opportunities for women and men.

[S1-4 38d] ENGIE has set up monitoring bodies to ensure the effectiveness of these systems and their positive impact on employees:

- the joint committees set up within the Group PERCOL and PERO (*Plan d'Épargne Retraite Obligatoire* – mandatory company retirement savings plan) ensure that returns are high and sustainable;
- ENGIE Care compliance monitoring is discussed annually in the Global Forum to assess its consistency and the way in which the program is applied practically and locally to all employees;
- for the French entities' pension and health insurance plans, all insurance contracts are reinsured by the Group's reinsurer so that the results are pooled at Group level. Together with the Group Benefits Department, the reinsurance broker ensures that the income statements of the plans are reported in a true and fair manner, and that the annual price reviews are carried out under the best possible conditions, so that employees and companies pay the right price for their cover;
- the Group participates in the management of the electricity and gas industry pension plan alongside other employers in the sector and in retirement plans in Belgium. In other countries, its participation depends on the plan governance arrangements in place;
- the ENGIE&Me survey also makes it possible to monitor employees' perceptions of their pay.

[S1-4 39, 40a, 41] The monitoring committees, the results of the ENGIE&Me survey and the work carried out jointly with insurers and brokers enable the Group to monitor and, where necessary, adjust its action plans in the event of a negative impact for employees.

Metrics and targets [S1-5, S1-10, S1-11, S1-15]

Adequate wages

[S1-10 69] All ENGIE employees receive an adequate wage, in line with applicable benchmarks.

[ESRS 2 – 81] ENGIE has not set any targets at this stage. The Group complies with minimum social standards on pay in all countries where it operates and ensures that it offers competitive pay to all its salaried employees, in particular through compensation surveys. In addition, the Group will continue to reflect on the issue of the adequate wage in line with best practices and the improvement initiatives to be implemented, where applicable. This approach will complement the objectives of ENGIE Care already implemented for all Group employees and their families.

Social protection

[S1-5 46, S1-11, S1-15 93a] At the Global Forum on October 9, 2024, the ENGIE Group Human Resources Department reiterated its commitment and its objectives with regard to ENGIE Care, which are part of a long-term vision (see previous paragraph on ENGIE Care).

As a reminder, in terms of social protection, the Group's 2025 objective for ENGIE Care is to implement the fifth pillar on employee well-being.

Benefits granted to former employees

The Group measures and recognizes its pension and other employee benefit obligations in accordance with the laws and practices of each country, in terms of pensions, early retirement, severance pay and healthcare plans (see Note 18 in Section 6.2.2 for further details). "Notes to the consolidated financial statements"). In addition, the Group analyzes the pension plans granted to its former employees in order to estimate more precisely the risk of a significant increase in the costs associated with these benefits, with a view to defining, where appropriate, targets and/or metrics for measuring this risk.

3.1.3.2.4 Equity, diversity and inclusion [S1-1, S1-2, S1-4, S1-5, S1-9, S1-16, S1-17]

ENGIE is committed to promoting diversity and inclusion in order to create a working environment where everyone is respected and valued, regardless of their uniqueness, skills or background. The Group implements policies and actions to promote an inclusive working environment and reduce risks in this area. Policies and actions related to gender equality are designed to mitigate the Group's risk of non-compliance with laws and regulations related to equity and the potential consequences of non-compliance.

Policies [S1-1]

Diversity, Equity and Inclusion (DEI) Policy

[S1-1 19] ENGIE's Global Diversity, Equity and Inclusion (DEI) Policy, validated in September 2022, has two objectives: to make the Group more representative of the diversity of the population and to make all work environments inclusive places for all, leaving no room for discrimination or harassment in any form.

[S1-1 21] To define its policy, the Group conducted:

- a study of the practices of approximately 50 organizations identified as leaders in the field;
- internal interviews with a total of approximately 50 members of the Executive Committee or heads of operational and support departments;
- an analysis of internal employee surveys;
- appropriation of internationally recognized schemes such as EDGE certification and the International Labour Organization's Disability Charter.

[MDR-P 65a] This policy, validated by ENGIE's Executive Committee in September 2022, was officially launched two months later by the Chief Executive Officer.

The DEI Policy is based on five pillars related to overarching objectives:

- **gender equality:** achieve gender balance within the company by increasing the number of women in the Group, as well as by supporting women's careers and encouraging women to join technical professions, where skills are currently in short supply;
- **origins:** develop diversity within ENGIE and value the richness of each person's origins – culture, ethnicity, nationality, religion, social origins and training background;
- **LGBTQ+:** develop the inclusion of LGBTQ+ people (lesbian, gay, bisexual, trans and new identities) so that they feel valued and respected;
- **abilities:** adapt working arrangements and conditions to welcome and include persons with any type of disability;
- **generations:** harness the talent and energy of all generations by promoting the employability of young and older people and the sharing of knowledge and skills between generations.

[S1-1 24c] The Group is committed to promoting the inclusion of people from particularly vulnerable groups through community groups. These groups bring employees together around common interests or sensibilities and create a safe working environment that encourages people to speak out and promotes a sense of inclusion. Specific programs are in place to promote the inclusion and professional development of persons with disabilities (accessibility of tools, application procedures and premises, etc.).

[S1-1 24d] The prevention and combating of harassment and all forms of discrimination are applied both within the Group and for the employees of suppliers and subcontractors (see Section 3.1.3.3 "Workers in the value chain"). In 2021 and 2022, the Group issued guides that reaffirm its principle of "zero tolerance" in this area throughout the world:

- a guide against all forms of discrimination against LGBTQ+ people;
- a guide on combating sexual harassment and sexist behavior.

[S1-1 24a, b] The Group's Human Rights Vigilance Policy prohibits all forms of discrimination and harassment. It is presented in the "Group policies" section of Section 3.1.3.1 "Respect for human rights".

In 2017, ENGIE signed an open-ended European agreement on gender equality, the fight against discrimination and violence, and the prevention of sexual harassment. In 2019, the Group also implemented a plan to prevent and combat sexual harassment and sexism.

[MDR-P]	Diversity, Equity and Inclusion Policy
Scope of application	All Group employees.
Accountable for implementation	Group Human Resources Department. Each pillar has a sponsor, a member of the ENGIE Executive Committee. The sponsor acts as an ambassador and promotes the policy through practical actions.
How the policy is made available	The DEI Policy is accessible to all employees via the Group's intranet.

Processes [S1-2]

Processes for engaging with own workers and workers' representatives about impacts [S1-2]

[S1-2 28] The ENGIE&ME survey (see Section 3.1.3.2.2 "Evaluation of the effectiveness of social dialogue") includes 25 questions on diversity, professional equality and inclusion, taken from the questionnaire developed by EDGE, an external certification body for the consideration of diversity, equity and inclusion matters within companies. As part of the EDGE certification process, additional surveys and/or polls are occasionally conducted by the Group's countries. This process is designed to gather employees' views on the effectiveness of existing policies and programs, and aims to prevent, mitigate and/or correct any forms of discrimination that could have a negative impact on employees or expose the Group to legal risk.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Be more attentive to stakeholders by supporting spokespersons (ERGs, role models), providing hotlines or whistleblowing lines, and surveying employees (Group or local)	Action initiated in 2024	• Employee awareness-raising	All Group employees	2026
• Integrate the DEI Policy into the Group's various processes	Action initiated in 2024	• Systematic consideration of DEI in HR processes and tools, including digital accessibility	In HR tools, process (job profile) and policies (from onboarding to departure, etc.), all sites and applications	2026
• Provide training and raise awareness on each pillar of the policy (gender equality, origins, LGBTQ+, abilities, generations) and each target (e.g., Global Leader) and provide cross-disciplinary training (DEI, Diversity Fresco)	Action initiated in 2024	• Employee training and awareness on DEI	All Group employees	2026
• Facilitate the network of 80 DEI Policy ambassadors ("Bees") trained to organize Diversity Fresco workshops in their entity (raising the awareness of nearly 1,900 people in two years)	Action initiated in 2024	• Facilitation of the ambassador network	DEI Policy ambassadors	2026
• Implement tools to monitor the implementation of the DEI Policy: KPI monitoring, internal maturity assessment, analysis of comments on ENGIE&Me	Action initiated in 2024	• Use of HR data, publication of the dashboard and use of the assessment tool	DEI Policy ambassadors	2026

[MDR-A 68d, 69a, b, c] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) depending on the type of activities in order to implement the above action plans. However, due to the nature of the expenditure involved, these action plans are considered to have a potentially immaterial financial impact.

Training and awareness-raising

[S1-4 38a, 40] Diversity and inclusion awareness training and workshops are organized regularly, including:

Diversity Fresco

A collective intelligence tool developed by ESSEC Business School, it provides a means of understanding the cognitive mechanisms at work in discrimination and finding approaches to reduce them. Since 2023, 1,900 employees have participated in Diversity Fresco workshops and around 80 have been trained to lead them. Social partners/trade union organizations were involved in the rollout of this training. The Diversity Fresco is currently being "internalized", with the recent creation of training materials in Portuguese for use in Brazil and in Spanish for use in Peru, Chile, Mexico and Spain. The Group's Top 50 will complete this training in 2025.

Training and recruitment initiatives

The *Permis de recruter* ("License to Hire") program, implemented globally, (i) trains managers and members of the Group Human Resources Department on inclusive hiring and human resources management, and (ii) raises awareness of potential biases in the hiring process and the importance of maintaining the neutrality and inclusiveness of job offers. It mitigates the Group's legal exposure in the event of non-compliance with laws and regulations.

Awareness-raising campaigns

Actions include events, guides and the sharing of best practices. A campaign to encourage self-declaration of disability will be conducted in 2025.

Rollout of prevention tools

[S1-4 38b, 43] The Group develops and shares guides on topics such as LGBTQ+ issues, gender identity, religious diversity, sexism and harassment, and domestic violence to instill a culture of vigilance among teams. The guides can be consulted on the HR HUB. They have been published in English and in French.

To make it easier to speak out and report incidents, the Group supports community groups such as Friends by ENGIE.

To support employees in the event of an incident, ENGIE provides its employees and third parties with a Whistleblowing System described in Section 3.1.4.1.5.

Communication with employees

[S1-4 38c] Communication materials are available on the Group intranet. Other initiatives include a Trans Awareness webinar in the United Kingdom, a National Diversity Day in Germany and the Dual Education program in Romania.

Tracking and measuring progress

[S1-4 38d] ENGIE tracks and measures the effectiveness of its actions and initiatives through:

- global and local metrics;
- regular audits (EDGE, Diversity Label, etc.);
- international and national surveys and awards.

In France, ENGIE is a signatory of the LGBTQ+ Commitment Charter of L'Autre Cercle, which commits it to participating in the organization's national barometer resulting from its biannual survey and to implementing practical actions to promote inclusion. The Group also participates in the #StOpE (stop everyday sexism in business) initiative. These systems allow ENGIE to measure progress and adjust its actions accordingly. In addition, regular seminars are organized to train and raise awareness among DEI ambassadors, who play a key role in implementing the initiatives.

[S1-4 39] ENGIE identifies the actions required in response to a negative impact through a structured consultation and assessment process, which includes the follow-up audits mentioned above.

Maturity assessment

[S1-4 40a] An internal maturity assessment tool developed by the Group allows entities to track progress and update their action plan as necessary. Based on the principle of benchmarking and internal transparency, it allows the Group's regional DEI departments to self-assess their performance and compare it with those of other regions on the basis of various metrics.

The ENGIE&Me engagement survey, a tool dedicated to analyzing the gender pay gap and the gender and pay equity index (see "Gender equality" section) completes this maturity assessment. EDGE-certified entities also have access to monitoring metrics that allow them to manage their actions.

Metrics and targets [S1-5, S1-9, S1-17]

The targets presented below reflect the Group's diversity, equality and inclusion objectives, as well as the legal constraints related to the identification of certain populations, in particular those exposed to various risks. The Group has therefore not set targets or metrics related to the origin, gender identity or sexual orientation of its employees.

Female employment targets

[S1-5 46] ENGIE has set the following targets for 2030:

- 40% to 60% of management positions held by women (female managers). In 2024, the rate was 32%☐☐[1];
- 10% apprentices among permanent employees, excluding the regulated entities GRDF and GRTGaz.

Female manager employment targets are set by the Group's Human Resources Department and validated by the Executive Committee, and appear in the Top Management score cards. They are broken down by Business Unit and by region.

[S1-5 47a, b, c] Targets for the recruitment of female managers are set by the Group's Human Resources Department and validated by the Executive Committee, and appear in the Top Management score cards. They are broken down by Business Unit and by region. Dashboards are provided to interested parties to track the metrics within their scope, and overall reports are presented quarterly and at the end of the year.

Diversity metrics

[S1-9 66a] Top Management comprises 294 employees, of whom 92 are women and 202 are men.

[S1-9 AR71] Top Management refers to the highest level of decision-making and responsibility in the company. At ENGIE, all positions are evaluated according to the level and scope of responsibility, in accordance with the Korn Ferry Hay methodology.

[S1-9 66b] Distribution of employees by age group

Gender/Age group	0-24	25-29	30-34	35-44	45-54	>54
Men	4,372	6,641	9,241	21,650	17,895	11,909
Women	1,757	3,020	3,597	8,042	6,325	3,479
Other			2	2		
Unspecified	1	8	5	10	5	5
TOTAL	**6,130**	**9,669**	**12,845**	**29,704**	**24,225**	**15,393**

(1) ☐☐ Verified by the Statutory Auditors with reasonable assurance for 2024 (see Section 3.1.7 "Percentage of female managers (%)").

Incidents, complaints and severe human rights impacts

[S1-17 103a, d] In 2024, 75 allegations[1] of discrimination and harassment affecting company employees were reported via ENGIE's Whistleblowing System.

[S1-17 103b, d] During the same period, 22 allegations[1] related to other social and human rights of employees (health & safety and working practices) were filed via the ENGIE Whistleblowing System. No complaints were submitted to the National Contact Points for the OECD Guidelines for Multinational Enterprises.

[S1-17 104a] No serious human rights incidents affecting employees occurred in 2024.

Gender equality [S1-4, S1-5, S1-16]

Gender equality is one of the pillars of the Group's DEI Policy. ENGIE has set a major target of a 40:60 gender balance ratio in management at Group level by 2030.

In 2022, in line with its commitments and for greater clarity, the Group decided that it would focus on the equal pay metric from among the gender and pay equity metrics. It measures the difference between the pay of women and men in equivalent positions.

It compares the average pay of women with that of men for each group corresponding to the Group's age groups and to the four socio-professional categories (workers, employees, technicians and supervisors, engineers and executives) or with employee classification levels.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Identify potential gender pay gaps and define action plans to address them	Action initiated in 2024	• Identification and elimination of any pay discrepancies between men and women	Employees adversely affected by pay gaps above the target set by the Group	Annual

[MDR-A 68d, 69a, b, c] The level of Group resources (OPEX) to support the implementation of this action plan will be adapted to each situation. The corresponding amounts are included in personnel costs in the Group's financial statements.

[S1-4 38a, 40a] To comply with the principle of equal pay for men and women, each Group company defines an action plan to reduce pay gaps, analyzes its results each year and adapts its action plans as necessary.

[S1-4 38c] Action plans of various types include analyzing gender pay gaps during annual salary reviews, reviewing pay packages offered upon recruitment or promotion, ensuring that women are not disadvantaged by maternity or parental leave, and raising management awareness of pay equity management.

Short-term action plans

In 2024, two types of short-term corrective actions were implemented, namely the establishment of specific wage rise budgets and individualized increases.

Sustaining the process and long-term commitments

[S1-4 38c, 40a, 41] During the same period, Group companies developed long-term action plans to sustain the process of achieving pay equity objectives:

- implementation of gender equity agreements;
- introduction of pay transparency policies to ensure that all employees understand pay criteria, accompanied by regular communication and consultation with employees on efforts and progress made in this area;
- development of processes for analyzing gender pay gaps during annual salary reviews, particularly when awarding pay increases, with monitoring and alert systems to specifically address the situation of women;
- introduction of a requirement to monitor pay levels at the time of recruitment, particularly where women are recruited into predominantly male professions, to ensure consistency between men and women;
- introduction of procedures to ensure that women are not disadvantaged by maternity or parental leave;
- awareness-raising actions for human resources and management teams on gender bias in hiring and pay equity management;
- support for the departure of employees of retirement age and commitment to prioritize the hiring of women when possible.

[S1-4 38d] Under ENGIE's Global Framework Agreement on Fundamental Rights and Social Responsibility, the results of these action plans are subject to annual monitoring at Group level involving the Ethics, Environment and Sustainable Development Committee (EESDC) and the Board of Directors.

Targets and metrics [S1-5, S1-16]

The Group uses a centralized tool to collect pay data, the Group Social Reporting data collection tool (see [S1-6 50e, f] – Collection tool). It centralizes data on fixed and variable pay, contractual hours and part of the benefits in kind of all employees of the Group. However, it cannot be used to create a single database containing individual pay data for each employee.

(1) *To avoid any potential double-counting between the various channels and/or whistleblowing systems or hotlines available to Group employees, only incidents submitted via the ENGIE Whistleblowing System have been considered.*

Targets

[ESRS-2 81] At this stage, the gender pay equity metric selected and monitored by the EESDC, prior to the Board of Directors, as part of the Group's 2030 targets is the adjusted gap presented in the "Pay equity" paragraph of the section on "Actions". This takes into account several explanatory factors for pay gaps, in particular the analysis of full-time equivalent pay, factoring in socio-professional categories and age groups. These factors allow the Group to focus on possible unjustified deviations that necessitate action plans.

[S1-5 44a, b] In 2024, the gender pay gap (corresponding to metric 1 of the Gender Equity Index) was 1.85% on a scope representing close to 80% of the Group's employees. The result is in line with the Group's objective.

[S1-5 46] Since 2022, the Group has chosen to focus on the pay gap between men and women in equivalent positions, with the target of a maximum gap of 2% at Group level. The base year for this target is 2022. The period to which it applies is 2022-2030.

The elements of pay taken into account are the base salary, variable pay and individual and collective bonuses. The following items are excluded: fixed-term contract termination benefits, bonuses linked to service requirements, overtime and additional hours worked, severance payments, seniority bonuses, incentives and profit-sharing, shares and deferred share-based payments.

All Group companies with more than 50 employees in France and more than 250 employees globally use EQUIDIV, a measurement tool developed by the Group to calculate the index automatically and uniformly on the basis of individual data. EQUIDIV provides priority remedial actions to advance gender and pay equality in the workplace.

Process for defining the target

[S1-5 47a] In France, the issue of gender and pay equity is discussed with employee representatives and may be the subject of company agreements.

[S1-5 47b] The ENGIE Group has signed a global agreement with employee representatives on fundamental rights and the Group's social responsibility. The results of the commitment to equal pay for men and women are monitored during the annual meeting of the Global Forum responsible for ensuring the implementation of the Global Agreement, which is presented in the "Social dialogue" subsection of this chapter.

[S1-5 47c] Each year, the companies included in the calculation analyze their results and, where necessary, implement corrective actions such as those described in the preceding "Actions" section. This information is the subject of exchanges within the representative bodies of salaried employees.

Pay metrics

For calculating the pay metrics presented below, the compensation data used comes from Group Social Reporting (GSR) aggregate data; the scope includes all Group employees. The compensation data taken into account includes fixed and variable short-term compensation, exceptional bonuses and certain benefits, such as benefits in kind (car and housing). Some compensation data, such as pension, profit-sharing and long-term incentive data, are not included in the GSR process and have therefore not been included in the calculation of these metrics at this stage. The GSR process will be updated so that this data can be fed back into the tool. Moreover, for the purposes of calculating the ratio, since the ENGIE Group is made up of companies with different payroll systems, median pay cannot be calculated in the absence of a single database containing individual compensation data. The calculation is based on average Full-Time Equivalent pay, which can be calculated from GSR data and which excludes the highest-paid individual.

[S1-16 97a, c] For 2024, the calculated gender pay gap was: 4.3%. This new metric will be analyzed and monitored annually.

[S1-16 97b, c] For 2024, the calculated pay ratio was: 71.3.

3.1.3.2.5 Talent and skills [S1-1, S1-4, S1-5, S1-13]

Training and development [S1-1, S1-4, S1-5, S1-13]

Policies [S1-1]

Training and development are key for people development, organizational transformation and business growth.

[S1-1 19] ENGIE recommends training programs, career paths and personal development initiatives to adapt skills to changes in professions and technologies. The ecological transition and technological accelerations due to digitization and artificial intelligence are transforming the professions of employees. They are also creating difficulties in finding qualified personnel in the Group's many traditional and emerging businesses. In response, ENGIE is implementing a three-pronged social strategy:

- proactive skills management to prepare for the future;
- greater internal mobility for the four main business lines;
- professional training objectives for all employees.

This strategy is being implemented with the aim of promoting job enrichment, new opportunities, and the consideration of employee initiatives and empowerment.

[S1-1 21] ENGIE's training initiatives and policies are aligned with the United Nations Sustainable Development Goals (SDGs).

Training and Development Policy

[S1-1 19, MDR-P 65a] In 2017, the Group adopted a Training and Development Policy that aims to train 100% of employees (all types of business combined) every year by 2030 via multimodal opportunities.

[MDR-P]	Training and Development Policy
Scope of application	All Group employees.
Accountable for implementation	Group Human Resources Department.
How the policy is made available	The Training and Development Policy is accessible to all employees via the Group's intranet.

In order to promote accessibility and inclusion of different population groups within the employee workforce, the Group is increasingly using digital training courses via the Group's Learning Management System (LMS), accessible in the 11 languages of the Company, and ensures the accessibility of face-to-face training for persons with disabilities when an employee reports difficulties. ENGIE offers training opportunities to all employees via the training catalogs available on the Group's Human Resources Information System (HRIS).

Talent Development Policy

The Training and Development Policy is complemented by the Talent Development Policy.

[MDR-P 65a] The latter policy aims to anticipate skills needs and prepare the Company's future leaders and technical experts. It uses a bottom-up approach to identify key positions and potential talent, and offers personalized career paths as well as development tools such as the "ENGIE Boost" and "ExpAND" programs, presented in detail in the "Actions" section.

It defines a common language on skills and a new methodology for assessing people, taking into account their career aspirations, performance and potential. It promotes internal mobility and succession planning, as well as managers' responsibility for people development through regular conversations with employees.

[MDR-P]	Talent Development Policy
Scope of application	All Group employees.
Accountable for implementation	Group Human Resources Department.
How the policy is made available	The Talent Development Policy is accessible to all employees via the Group's intranet.

[S1-1 24d] Approved by ENGIE's Executive Committee and presented to employee representatives, the strategy reinforces the fight against all forms of discrimination and promotes the inclusion of everyone in terms of personal and professional development.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Organize annual development meetings between employees and their managers, followed by validation of a training plan	Action initiated in 2024	• Improvement of performance, identification of skills development needs, monitoring and evaluation of employee progress, optimization of talent management and preparation for career development	All Group employees	Annual
• Identify employee skills • Implement employee skills plans	Action initiated in 2024	• Completion and correction of "Job Families" in the Group HRIS	All Group employees	2025
• Train managers on the new people development strategy • Organize face-to-face training in the local language for all managers	Action initiated in 2024	• Managers of managers trained on the new strategy and their role in people development	All Group managers	2025
• Set up Business Academies in each GBU as well as in certain cross-functional areas (HR Academy, Digital & Data Academy, and Procurement Academy)	Action initiated in 2022 and developed in 2024	• These Academies are designed to enhance professional skills and operational excellence, instill a common culture, promote internal and external know-how and encourage people to learn about the Group's businesses	All Group employees	Annual

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
• Clarify the Group's internal mobility principles and communicate them to employees	Action initiated in 2024	• Better understanding of internal career opportunities, strengthening of employee engagement and loyalty, improved organizational transparency and promotion of cross-functionality and diversity of career paths	All Group employees	Annual

[MDR-A 68d, 69a, b, c] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the nature of its activities. It relies notably on internal resources (OPEX) to drive the implementation of the above action plans, which are considered to have an immaterial financial impact.

Implementation of a Group-wide Learning governance structure to train and develop key skills

ENGIE favors a development approach that highlights priority skills by population and the associated key training needs.

[S1-4 38a, 39] This strategy has led to the establishment of a Learning governance system with a decision-making body featuring strategic and/or operational committees that meet each quarter to align and prioritize employees' skill needs. This community includes around 500 people in the Human Resources functional line.

[S1-4 38c] In 2023, work in the Learning functional line focused on the implementation of the Group Learning Management System (LMS), which was rolled out at the beginning of 2024 across almost the entire Group, with the exception of: GRTGaz, GRDF, CNR, nuclear activities, EHS and GEPSA. The LMS is used to manage mandatory training for all employees and non-employees. In 2024, ENGIE identified three mandatory e-learning courses: Health & Safety, Ethics and Cybersecurity. Two executive training programs are also recommended: ENGIE Ways of Leading (EWOL) and Management Pass (managerial program).

Training with ENGIE University and the Academies

[S1-4 38c] In addition to being a Qualiopi-certified training center in France and a CLIP-certified center internationally, ENGIE University is a place for strategic thinking on ENGIE's Learning and Development policies, and on the skills of today and tomorrow. For more than 15 years, this corporate university has been supporting the professional and personal development of employees, particularly executives and people managers, and is an important lever for corporate culture and training within the Group.

ENGIE University offers both face-to-face programs and digital courses (e-learning and virtual classrooms) to increase access to training for all employees throughout the world.

It also organizes U.Camps (ephemeral, mobile campuses in France or abroad, open mainly to managers) and the Learning & Career Festival (open to all Group employees). In all, more than 10,000 Group employees took part in 2024.

[S1-4 40a] These learning experiences promote participant engagement, as evidenced by the high Net Promoter Score (NPS) and participant evaluations collected at the end.

[S1-4 38b] ENGIE University has also been developing Business Academies in partnership with the Global Business Units and certain functional lines since 2022.

At the end of 2024, the Group's Business Academies included the Renewables Academy, the Networks Academy, the Energy Solutions Academy and the FlexGen Academy. There are also cross-functional academies, namely the HR Academy, the Digital & Data Academy, and the Procurement Academy.

[S1-4 38a] Other vocational schools offering training related to the energy transition, such as the École des métiers d'Énergie Solutions France, the GEMS Schools, the GRDF Energy Formation and the Sustainability Academy, are open to employees.

[S1-4 38d] In 2024, the Group trained 94.6% of its employees. This figure is higher than in previous years, and new actions are identified each year to enable even more employees to be trained.

Strategic skills development actions and ENGIE Jobs

[S1-4 39] These skills are driven by a strategic and forward-looking management process for jobs and skills (Strategic Workforce Planning). Industrial and financial forecasts feed into three-year quantitative and qualitative mapping of strategic and distinctive skills. Each of the Group's business lines must have such a map in order to implement its strategy and roll out the associated action plans.

[S1-4 40a] This approach is organized around the internal ENGIE Jobs reference system, which lists more than 380 benchmark roles and their associated skills, with a view to continuous improvement. This reference system makes it possible to:

- anticipate recruitment needs;
- take into account the impact of job losses related to market and technological changes;
- deploy appropriate training plans;
- prepare career paths suited to emerging challenges.

[S1-4 38d, 43, AR43] These data are consolidated at Group level to obtain an overall view of developments in professions and skills, in particular in:

- mature technologies (wind, solar);
- new technologies (battery electricity storage, green gases);
- cross-functional skills (health & safety, data, digital, risk management).

They also make it possible to construct cross-entity action plans to respond to common challenges, in particular the acquisition of new skills by recruiting new graduates through graduate programs.

Group talent development and retention

[S1-4 38a] In 2024, the Group launched its new employee development strategy with an internally designed and led training day that brought together 282 Human Resources people and more than 2,000 managers. This training will be rolled out to all Group managers in 2025 and to all employees by the end of 2026. This strategy reinforces managers' role in supporting Group employees in their personal and career development projects.

Programs have been designed to focus on developing and retaining talented people and experts:

ENGIE Boost: the program for future leaders

ENGIE Boost is a system for developing and retaining talented people with high leadership potential at all levels of the organization in order to prepare them to occupy strategic roles at the Group. It comprises three programs:

- Rise! and Pulse! for the 300 talented individuals with the potential to take up strategic Group positions (i) on their next internal job change (37% women and 56% international) in the case of Rise!, and (ii) within two to three internal job changes (55.4% women and 44% international) in the case of Pulse!;
- Up!, managed by the GBU, entities and geographic areas: Up! focuses on talent likely to move into key positions within the Group.

ExpAND: the program for experts

Since 2020, this program has aimed to identify, develop and recognize the Group's experts across all departments. It allows them to develop soft skills such as leadership and communication. By the end of the first three campaigns, 757 ExpANDers had been identified.

People and Position Reviews

[S1-4 38a] People and Position Reviews are part of the annual People Development cycle and are designed to achieve several objectives:

- ensure the company's continuity and growth by identifying and developing ENGIE's potential future leaders;
- foster a culture of talent development and internal promotion for all;
- promote mobility beyond organizational silos by combining viewpoints and designing qualitative and practical people development plans;
- encourage managers to take responsibility for the development of their people through the prism of business imperatives;
- increase diversity at all levels to improve performance and support of the Group's business strategy.

[S1-4 38b, c] In 2024, more than 1,100 positions were identified as Global Key Positions, i.e., critical at Group level. For 81% of these positions, a succession plan has been identified and 2,046 potential successors have been assessed by the relevant manager and discussed in People Reviews to establish clear action plans to support the development and career of these employees.

The 2024 People Review process resulted in the assessment of 10,865 employees – more than the 3,000 initially planned.

Career paths and mobility principles

Career management is a key element of the Group's Human Resources strategy, particularly with a view to optimizing talent retention. **[S1-4 38a]** The different areas of work strengthened in 2024 were:

- succession plans for the Group's key positions, to better adapt development plans;
- communication on examples of career paths within the Group as a source of inspiration;
- definition of the expected experience and skills for certain key positions in the Group, for greater transparency;
- review of job families and ENGIE Jobs to define an architecture that will allow the creation of complementary tools to explore career paths.

[S1-4 38b, c, d, 39] The effectiveness of these actions is measured through changes in retention and mobility rates and via the Group's engagement survey, which also allowed priority development actions to be defined for 2025.

In 2024, the ENGIE&Me engagement survey showed that:

- 66% of respondents believe they have training opportunities at ENGIE;
- 71% feel they have information on career management;
- 72% believe they benefit from support for their development.

The specific action plans identified in 2023, tailored to individual or more collective needs, appear to have borne fruit and are being renewed in 2025. They aim in particular to:

- improve managers' ability to identify, develop and retain employees;
- provide rapid solutions in response to market changes;
- improve, where necessary, the experience of employees at all stages of their careers;
- monitor and anticipate changes in trends locally.

Performance review and development campaigns

Performance review and development campaigns are part of the annual management cycle for employees.

[S1-4 38a] Their purpose is to clearly establish individual performance expectations in line with the Group's objectives, to ensure that everyone clearly identifies their contribution to ENGIE's success, is recognized for their achievements and results, and receives support to maximize their potential.

[S1-4 38b, c] In addition to achievements, performance reviews include an analysis of performance in terms of expected behaviors (defined by the ENGIE Ways of Leading and ENGIE Ways of Working), as well as with regard to cross-cutting themes such as health & safety, diversity and inclusion, cybersecurity and ethics.

[S1-4 38a] In 2024, 39,992 employees received a performance review with their superiors (53% of employees), including 21,974 managers and 18,388 non-managers.

[S1-4 38a, b, c] The development interview campaign aims to enable managers and employees to take stock of development actions, career aspirations and mobility by jointly developing individual development plans. In 2024, 39,555 employees had a development interview with their superiors (52% of all employees), including 21,566 managers and 17,989 non-managers.

[S1-4 39, 41] The effectiveness of the approach is measured by the percentage of employees who acknowledge the results of the evaluation at the end of the interview. **[S1-4 38d]**

Targets and metrics [S1-5, S1-13]

Training programs

Each year, steering committees define the priorities and strategic metrics for the actions developed by ENGIE University and the Business Academies.

Monitoring the Group's overall training objectives

[S1-5 46] In 2024, on average, 94.6% of the Group's employees completed at least one face-to-face, digital or hybrid training course, across all countries and activities.

[S1-5 47a, b] The steps for achieving this target of having all employees trained were defined by the Group Head of Learning. ENGIE also reports this metric transparently, both internally and externally, notably through the Human Resources functional line.

[S1-5 47c] The subject of training/learning is also presented and discussed with social partners, in social dialogue bodies (French Works Council, European Works Council, Global Forum).

	2024	2025e	2026e	2027e	2028e	2029e	2030 target
Average employee training rate	94.6%	90%	92%	94%	96%	98%	100%

[S1-13 83b] Training and skills development metrics

Gender	Average number of training hours per employee and by gender
Men	21
Women	16
Other	11
Unspecified	24
TOTAL	**20**

3.1.3.2.6 Health & safety of workers [S1-1, S1-4, S1-5, S1-14, S1-15]

In terms of health & safety at work, ENGIE aims to provide the same level of protection and risk prevention to all individuals working for the Group, regardless of their status, whether employees, temporary workers or subcontractors. The provisions implemented by ENGIE as expressed in the Health & Safety Policy, health & safety rules and processes therefore apply to these different groups of people. They are described in this section and not repeated in Section 3.1.3.3 "Workers in the value chain", in order to avoid duplication. In addition, specific health & safety management provisions for subcontractors are described in Section 3.1.3.3.

Regarding non-employees, ENGIE has chosen to apply a transitional provision for its 2024 reporting by publishing only data relating to temporary workers.

Policies, processes [S1-1]

[S1-1 19, 23]

Health & Safety Policy

[MDR-P 65a] ENGIE's approach to health & safety at work includes two distinct lines of prevention:

- "No Life at Risk", which deals with accident prevention;
- "No Mind at Risk", which focuses on improving workplace well-being and preventing psychosocial risks.

These two areas of prevention are defined in the Health & Safety Policy, which was the subject of a global agreement with employee representatives.

The Group's ambition, expressed in the preamble to its policy, is to make everyone – executives, managers, employees, subcontractors – a committed actor in their own health & safety, and that of others.

ENGIE's Health & Safety Policy is based on eight fundamental principles, such as taking risks into account in all decision-making processes, a participatory approach to the prevention of hazardous situations and the promotion of a climate of trust and dialogue.

A reviewed version of this policy was published in 2022 in conjunction with the introduction of a Global Framework Agreement on Fundamental Rights and ENGIE's Social Responsibility. This revision made it possible to introduce the "No Mind at Risk" prevention program and additional practical provisions intended to improve quality of workplace well-being and prevent psychosocial risks.

[MDR-P]	Health & Safety Policy
Scope of application [MDR-P 65b]	All activities of ENGIE and its fully consolidated subsidiaries included in the Group's scope of consolidation. All employees, temporary workers and subcontractors working for the Group
Highest management level responsible for implementation [MDR-P 65c]	The implementation of the Health & Safety Policy is presented in the form of results and the main actions implemented at the following levels: • Executive Committee; • EESDC.
Description of the consideration given to the interests of stakeholders in setting the policy [MDR-P 65d]	The Health & Safety Policy was the subject of a global agreement with employee representatives, which made it possible to integrate employee expectations in terms of health & safety at work. Policy implementation is regularly shared with these employee representatives at meetings of the Global Forum and the European Works Council, two-way exchange forums.
How the policy is made available [MDR-P 65f]	The agreement incorporating the Health & Safety Policy in the appendix is available on the Group's website at: www.engie.com/en/news/international-social-agreement

Group health & safety rules and standards

The Group's Health & Safety Policy is implemented through Group Rules on health & safety and technical standards.

These Group Rules on health & safety deal with specific topics, such as health & safety risk management, management of serious, potentially serious or fatal accidents, and temporary worker health & safety management. These rules are processes that apply to all Group entities.

In addition, the Group publishes thematic standards that enable health & safety risks to be controlled for activities that present specific risks, such as working at height or using road vehicles.

The Group Rules on health & safety and standards apply:

- on a mandatory basis in all entities for which ENGIE is responsible for operational management;
- in the same way to all employees, temporary workers and subcontractors working for the Group.

Health & safety steering and governance

The Group has set up and periodically reviews a reporting system that is both quantitative (e.g., frequency rate of workplace accidents) and qualitative (e.g., HiPo, for high potential incident, i.e., a near miss that could have been serious or even fatal) to inform management on the health & safety performance of the Group's various entities.

The Group and its entities regularly review their health & safety performance at various levels of the organization.

A Group Health & Safety Management Committee chaired by the Group Health & Safety Vice-President and including the health & safety managers of the four GBU as well as the Nuclear, Tractebel and GEMS entities, meets monthly. Its role is to define the metrics and targets to be monitored, decide on the actions to be taken and ensure the operational implementation of the action plans.

Regular updates are provided to the Group's senior executives (Global Leaders Community).

Health & safety performance criteria are incorporated into the annual variable pay of the Chief Executive Officer and other members of the Executive Committee. Senior executives' annual variable pay also includes health & safety performance criteria within their scope of activity. A penalty system is in place for executives who have had a fatal accident within their scope.

The health & safety performance is shared with managers and the Group's Health & Safety functional line.

Communication and awareness-raising

The communication and awareness-raising processes on health & safety issues for employees, temporary workers and subcontractors working for the Group take various forms:

- communication and awareness campaigns on major risks;
- organization of World Safety Week;
- health & safety toolbox talks designed to facilitate discussion within work groups on specific issues affecting the team.

Improving workplace well-being and preventing psychosocial risks

For several years, the Group and its subsidiaries have been implementing dedicated actions to improve workplace well-being for their employees and thus prevent psychosocial risks, as part of the "No Mind at Risk" prevention program.

To achieve its goal, the Group Health & Safety Department leads a network of workplace well-being experts. This network is entrusted in particular with designing the tools for the entire Group.

In addition, every two years the Group conducts a major survey of all its employees, called ENGIE&Me. It includes a series of questions directly related to employees' workplace well-being. The answers to these questions allow each work group to assess its level of maturity in terms of workplace well-being, in line with the Group's expectations.

Animation of the Health & Safety functional line

Digital tools are used extensively by the Group for the animation of the Health & Safety functional line, and a great deal of work is done to disseminate information to the various entities. This work is supported notably by the organization of monthly thematic webinars, the presentation of analysis of the causes of fatal accidents, and the provision of various technical and awareness-raising materials.

The "Prevention News" newsletter, dedicated to the "No Life at Risk" prevention program, allows the Group to share all major accidents, significant hazards and events with high potential of severity (HiPo), as well as best practices implemented locally.

Lastly, the Group organizes an annual convention for health & safety managers and representatives of the functional line.

Internal control and audits

Each year, the Group administers an internal control questionnaire, which enables the health & safety managers of its entities to self-assess their control of the risks of serious and fatal accidents, and to identify actions for improvement in areas they consider deficient (INCOME/COR8a).

ENGIE has also implemented a Group internal audit process to assess the management of major risks in the entities with a view to preventing serious and fatal accidents. This involves identifying best practices and improvement measures for implementation.

Dialogue with social partners

Dialogue with employee representatives continued at all levels of the Group in 2024, particularly with the global and European bodies. The European Works Council has a standing working group on health & safety and workplace well-being. It regularly reviews performance and initiatives in the areas of health & safety, and workplace well-being.

Actions [S1-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
ENGIE One Safety transformation plan	Action taken in 2022	Sustainable eradication of serious and fatal accidents	Employees, temporary workers (and (sub)contractors)	Until the target is reached
Train and coach all managers with the ENGIE One Safety Culture program	Action taken in 2024	Continuation of the training-coaching program	All Group managers, operational and functional	June 2025
Publish new safety standards	Action taken in 2024	• New Group standard to prevent falls from height • New Group technical instructions to control electrical risks	Employees, temporary workers (and (sub)contractors)	2024
Conduct communication and awareness-raising campaigns	Actions taken in 2024	Awareness-raising campaigns developed by the Group and made available to entities in 2024: • control of risks associated with working at height; • electrical risk management; • systematic implementation of the Last Minute Risk Assessment before (re)starting an activity; • implementation of the “Stop the Work” procedure when safety conditions do not appear to be met.	Employees, temporary workers (and (sub)contractors)	Annual
ENGIE&Me employee survey	Action taken in 2024	Assessment by employees of their workplace well-being and identification of avenues for improvement for the different work groups.	All Group employees	Every two years

[MDR-A 68a, 68b, 68c, 68d, 68e] The main actions implemented by the Group in 2024 are described below, including, where appropriate, the final deadline if the action extends beyond 2024, as well as the qualitative and quantitative results.

ENGIE One Safety transformation plan

Following the fatal accidents of 2021, the Group and its operational entities joined forces to draw up ENGIE One Safety, a major health & safety transformation plan. Its objective is to sustainably eradicate serious and fatal accidents involving employees, temporary workers and (sub)contractors working for the Group.

Several topics were addressed on implementing this plan in 2024 to define and/or strengthen the provisions to be implemented for the Group to achieve its long-term goal of zero serious and fatal accidents as soon as possible.

New safety standards

The ENGIE One Safety transformation plan has resulted in the development of several new health & safety standards and rules, and their distribution to the entities.

The first of these concerns is the prevention of falls from height. This standard has two parts:

- general requirements (risk assessment, risk management including the choice of protection, training and skills, etc.);
- technical instructions covering various topics (collective equipment, scaffolding, etc.).

The Group has also introduced new technical instructions for the control of electrical risks. They describe the provisions to be applied in various areas (personal protective equipment, electrical lock-out procedures, etc.).

Communication and awareness-raising

As it does every year, the Group decided to mark World Safety Week with a specific event for the various work groups, with the aim of ensuring the engagement of all employees, temporary workers and (sub)contractors working for the Group.

During 2024, several awareness-raising campaigns developed by the Group were made available to entities on the following topics:

- management of the risks associated with working at height, including a presentation of the new Group standard on this topic;
- electrical risk management, including the distribution of a pocket leaflet with the five questions to ask when working;
- necessity of the systematic implementation of the Last Minute Risk Assessment before (re)starting an activity; an implementation standard was distributed to the entities;
- necessity of the implementation of the "Stop the Work" procedure when safety conditions do not appear to be met; implementation guidelines were also distributed to the entities.

As it does every year in October, the Group organized a Safety Stand Down to commemorate the victims of fatal accidents and to reinforce the implementation of the Group's expectations regarding the prevention of serious and fatal accidents. The principle behind this event is to stop all of the Group's activities and dedicate this particular moment to discussions within the teams around the prevention of major health & safety risks.

Training-coaching for managers

Following the assessment of its health & safety organization and culture by an external consultant, in 2022 and 2023 the Group designed, tested and launched a new training and coaching program for all its managers, known as ENGIE One Safety Culture. Based on an innovative coaching approach, it aims to improve the efficiency of managers' safety rituals, such as safety visits, to promote a more robust safety culture, in particular among employees and temporary workers.

In 2024, ENGIE continued to roll out training and coaching for its operational and functional managers. Since the start of the program, 8,578 managers have been trained and 5,207 managers have been coached.

[MDR-A 68c] The rollout of the training and coaching program to all existing managers should be completed by the end of the first half of 2025. The program will be maintained over time to train the flow of new managers.

One Safety Tool, a unique digital resource

As part of the ENGIE One Safety transformation plan, the Group wanted to create a digital health & safety tool shared by all its subsidiaries and entities. This cross-functional digital tool, known as the One Safety Tool, has several objectives: to harmonize and anchor processes and practices throughout the Group, to better assess the management of major risks through standardized data collection, and to monitor the implementation of actions to manage the risks of serious and fatal accidents.

2024 was dedicated to:

- design launch, tool configuration and integration into the Group's digital ecosystem;
- implementation of the first functionalities for collecting the results of safety visits;
- training of the first wave of entities (more than 25 subsidiaries), followed by the rollout of a first version of the tool on that scope;
- preparation of new functionalities for reporting health & safety events.

Improving workplace well-being and preventing psychosocial risks

A monthly newsletter for the "No Mind at Risk" prevention program was published in 2024. It presents the Group's news on the subject, best practices and actions implemented locally by entities, "tips & tricks" as well as focus points on topics of particular interest (e.g., mental load, hyperconnectivity, multitasking).

The Group Health & Safety Department has launched a new internal control questionnaire on the management of psychosocial risks, developed by the Health & Safety, Human Resources and Internal Control Departments (INCOME/COR8c). Its aim is to enable companies to self-assess their control of these risks in three dimensions: governance, risk management and continuous improvement. Nine controls allow companies to identify any corrective actions to be implemented. In 2024, the questionnaire was applied to a limited number of entities to test it and make any improvements.

KPIs and targets [S1-5, S1-14, S1-15]

Nature and description of target	2030 target	2024 reporting	Performance versus target	Corresponding IROs
Lost Time Injury Rate for employees, temporary workers and (sub)contractors	1.5	1.7	Target: < 2.0	safety at work
Number of fatal accidents	0	3	Target: 0	safety at work
Fatality rate for employees, temporary workers and (sub)contractors	0	0.009	Target: 0	safety at work

ENGIE has set itself the following targets, which apply to employees, temporary workers and (sub)contractors working for the Group, regardless of the nature of their contract:

- no serious or fatal accidents among people working for the Group;
- continuous reduction in the Lost Time Injury Rate, this total frequency rate including accidents involving employees, temporary workers and (sub)contractors; the maximum value of the Lost Time Injury Rate for each year is determined on the basis of the value achieved in the previous year.

Metrics within the scope of ESRS S1:

The results presented in this subsection take into account subsidiaries controlled (fully consolidated) by the Group as well as joint operations that fall within the scope of financial consolidation considered in the Sustainability Statement, as required by the ESRS. These results include all employees working for such subsidiaries and entities, as well as temporary staff.

- percentage of employees and temporary workers covered by a health & safety management system based on legal requirements and/or recognized standards or guidelines: 72%;
- number of fatalities due to work-related injuries among the Group's employees and temporary workers: one (including one employee), versus a target of zero;
- number of fatalities due to work-related injuries among Group (sub)contractors: two, versus a target of zero;
- number of days lost due to lost-time injuries and employee fatalities: 18,116;
- number of accidents with and without lost time for employees: 1,111;
- number of accidents with and without lost time for employees and temporary workers: 1,160;
- Total Recordable Injury Rate for employees: 6.7;
- Total Recordable Injury Rate for employees and temporary workers: 6.7. This total recordable injury rate is calculated as follows:
  - TRIR[1] = (Number of medical treatments + accidents with modified workstation + injuries with lost time + fatal accidents) x 10^6 / Number of hours worked;
- 45 new cases of occupational illnesses among employees, as recognized under local regulations.

Specific metrics:

Metrics specific to the Group (fatality rate and Lost Time Injury Rate) are included in this Sustainability Statement to ensure continuity of information with the metrics reported for 2023.

The results presented in this section include entities for which the Group provides operational management. ENGIE exercises operational management when the Group controls, or has the ability to influence, the conduct and performance of health & safety activities. For all these entities, the metrics presented cover all employees, temporary workers and (sub)contractors.

- **[entity-specific information]** Fatality rate for employees, temporary workers and (sub)contractors: 0.009, versus a target of zero. This fatality rate is defined by the international standard GRI-403 (published by the Global Reporting Initiative) relating to the publication of performance metrics covering health & safety in the workplace. It is calculated as follows, including data on employees, temporary workers and (sub)contractors: fatality rate = (Number of fatalities due to injuries) x 10^6 / Number of hours worked;
- **[entity-specific information]** Lost Time Injury Rate for employees, temporary workers and (sub)contractors working for the Group: 1.7, below the maximum target for the year of 2.0; the Lost Time Injury Rate is calculated as follows, including data on employees, temporary workers and (sub)contractors: LTIR[2] = (Number of lost-time accidents + number of fatalities following an accident) x 10^6 / Number of hours worked;
- **[entity-specific information]** Lost Time Injury Rate for employees of 2.0.

Commuting accidents are not counted as work-related accidents, as these journeys are not the responsibility of the Group, unless the means of transport used for them are chartered by the Group.

3.1.3.3 Workers in the value chain (excluding energy) [ESRS S2]

Introduction [SBM-3, S2-1, S2-3, S2-4]

Description of the types of workers in the value chain [SBM-3]

[SBM-3 11] In non-energy purchasing, supplier employees are the value chain workers likely to be affected by ENGIE's activities.

[SBM-3 11a] At ENGIE, the term "supplier" refers to external companies with which the Group and its entities have a direct contractual relationship. This includes:

- companies that supply goods (suppliers);
- companies that perform services for ENGIE, whether or not in addition to supplying goods (subcontractors).

This section applies to suppliers, supplier employees, and suppliers' own suppliers within the ENGIE supply chain, collectively referred to as "value chain workers", unless otherwise specified.

[SBM-3 11a i-v] Suppliers include subcontractors who work on the Company's sites without being an integral part of its staff, such as installers who ensure the installation and smooth running of equipment, and facility management professionals, etc. These subcontractors are all subject to the same risks and impacts, irrespective of the nature of the equipment or services they provide.

[SBM-3 11d] In its double materiality assessment, ENGIE has identified impacts, risks and opportunities concerning value chain workers.

In its activities, ENGIE applies the principles set out in the ILO conventions on fundamental workers' rights (prohibition of forced and child labor, non-discrimination, collective bargaining and freedom of association), workers' health and well-being, and adequate working conditions (wages, working hours, etc.). These principles apply to the whole of the value chain.

Suppliers must treat their employees fairly and with dignity. Where laws and regulations do not specify a minimum wage, suppliers must ensure that the wages paid are fair or meet more than primary needs. These principles are set out in ENGIE's Human Rights Vigilance Policy.

(1) TRIR: "Total Recordable Incident Rate".
(2) LTIR: "Lost Time Injury Rate".

[SBM-3 11e] ENGIE also faces legal and reputational risks, such as the payment of fines, compliance costs, legal fees and indemnities, in the event that it fails to comply with its duty of vigilance obligations.

[SBM-3 11c] ENGIE must also take into account systemic negative impacts such as involuntary involvement in the violation of fundamental rights and freedoms of workers as a result of purchases made in sectors or geographies considered "at risk", which could constitute a risk for its activities.

[SBM-3 12] ENGIE purchases products and services from a wide variety of industries and geographical areas, some of which may be more or less at risk in terms of workers' rights and subject to more or less stringent and enforced regulations in this area. The Group is therefore aware that its value chain is exposed to specific negative impacts such as those that might arise from failure to respect workers' rights, accidents or unintentional incidents resulting in injury, ill-health or death.

To remedy this situation, ENGIE's procurement vigilance approach includes measures on identifying the main human rights risks associated with its activities that might have an impact on the workers in its value chain.

[SBM-3 11b] ENGIE uses Maplecroft analysis to identify high-risk countries, chiefly as regards the risks associated with child labor and forced or compulsory labor. All suppliers in countries identified as high risk are subject to due diligence. Suppliers in high-risk categories, especially as regards working conditions (wind, solar, batteries, etc.), are subject to enhanced due diligence carried out by business intelligence experts or external service providers specialized in certain regions, such as China. Action plans on these points are set out in the Group's Vigilance Plan (see Section 3.2).

[SBM-3 13] Six procurement categories are currently considered high-risk in terms of human rights, health & safety and/or environmental impact:

- solar panels and batteries;
- wind turbines;
- electrical equipment;
- safety gear and clothing;
- IT equipment;
- turnkey EPC contracts.

Category analysis and country risk assessment are used to create a risk matrix, with input from the Category Manager network and the Group's ESG partner: EcoVadis.

For each of these categories, specific action plans have been run, involving stricter contractual provisions, ethical and social audits, stricter health & safety rules, and diversification of the supplier panel to select lower-risk suppliers. Suppliers in at-risk categories must also provide detailed information on their value chain, including the location of their production sites.

Items relating to SBM-2 are provided in Section 3.1.1.2.3 "Stakeholder involvement".

Global strategy and policies [S2-1]

[S2-1 17] The Group's policies, foremost among which is its Human Rights Vigilance Policy, are based on international human rights protection standards, which the Group is committed to respecting as a minimum, regardless of local legislation.

[S2-1 17a] These policies are aligned with internationally recognized standards applying to value chain workers, starting with the UN Guiding Principles on Business and Human Rights.

[S2-1 17b] The Group's overall approach to respect for human rights is described in Section 3.1.3.1 "Respect for human rights". This approach applies to all workers in the value chain. This details how the approach is applied to value chain workers, along with the specific measures that apply to them with regard to the material impacts and risks identified by the Group.

The approach is also in line with the Group's **Vigilance Plan**, which includes the procurement vigilance approach detailed in Section 3.2.1.5 "Preventing and managing risks related to non-energy purchases" and on the ENGIE website at https://www.engie.com/en/ethics-and-compliance/vigilance-plan

[S2-1 17c] In line with its duty of vigilance, the Group seeks to identify the risks associated with its suppliers' activities, wherever these are related to the joint business relationship. If risks are identified, in-depth vigilance measures are taken, including due diligence before entering into a contractual relationship, and contractual provisions are included on respect for human rights and the evaluation of supplier practices throughout the contractual relationship.

[S2-1 17] Risk identification and management is practiced through ENGIE's procurement vigilance process, which involves:

- risk mapping, the procedure for which is set out in **[SBM-3 13]**;
- a supplier selection process including a CSR assessment (EcoVadis), implementation of the Due Diligence Policy, implementation of management plans taking account of supplier eligibility criteria, and supplier performance metrics with associated improvement plans. Such plans may include audits and special contractual provisions to limit risk. A risk reduction plan is systematically applied for suppliers with an EcoVadis score under 45/100.

The principles and rules on risk identification and management feature in the purchasing management system and in purchasing operational processes. These include the requirements of the Ethics Code of Conduct (which replaced the Ethics Charter in 2023), the CSR Policies, the Health & Safety Policy, the Code of Conduct in Supplier Relations, the Due Diligence Policy for Direct Suppliers and Subcontractors, and the Subcontracting Policy.

[S2-1 18] ENGIE's main policies on managing its material impacts on value chain workers and related major risks are as follows:

- Human Rights Vigilance Policy (see Section 3.1.3.1);
- Ethics Code of Conduct;
- Code of Conduct in Supplier Relations.

ENGIE's policies explicitly prohibit forced labor, human trafficking and child labor in all its activities, including those of its suppliers.

ENGIE's Ethics Code of Conduct:

- prohibits all forms of forced labor and child labor, and expects this principle to be respected by all third parties;
- specifies that third parties must offer their employees adequate working conditions, in line with ENGIE's principles and commitments.

[MDR-P 65a] ENGIE's Procurement Charter emphasizes the Group's commitment to sustainability and human rights, and ensures the application of ethical practices throughout its supply chains.

[MDR-P]	Procurement Charter
Scope of application [MDR-P 65b]	The Procurement Charter stipulates that ENGIE's commitments and requirements must be applied in its relations with suppliers and throughout its supply chains.
Accountable for implementation [MDR-P 65c]	The Procurement Charter is applied by the Group Procurement Department.
Relevant third-party standards or initiatives [MDR-P 65d]	The ENGIE Group is committed to the United Nations Global Compact, aligned with the Sustainable Development Goals (SDGs) and the Paris Agreement, and ensures that human rights are respected in its operations. ENGIE is also committed to respecting international standards, in particular International Labour Organization standards, and does not tolerate any form of human rights abuse or any violations of integrity.
How the policy is made available [MDR-P 65f]	All the above-mentioned commitments figure in supplier contracts through an Ethics and Sustainable Development Clause, which the Group includes in all purchasing contracts, regardless of their amount.

[S2-1 19] Regarding workers in the ENGIE value chain, in 2024 no instances were reported of non-respect of (i) the UN Guiding Principles on Business and Human Rights, (ii) the ILO Declaration on Fundamental Principles and Rights at Work or (iii) the OECD Guidelines for Multinational Enterprises.

Whistleblowing mechanism [S2-3]

[S2-3 27a, 27b] ENGIE has set up a single whistleblowing mechanism whereby all its stakeholders, including value chain workers, can report any infringement of their rights. Sections 3.1.3.1 "Respect for human rights" and 3.2.3 "Whistleblowing and alert reporting system" include details on: the overall approach and procedures for remedying or helping to remedy a situation involving a negative impact on persons; the way in which the Group assesses the effectiveness of the solutions provided; and the adoption of policies to protect whistleblowers from reprisals.

[S2-3 27c, 27d] The whistleblowing mechanism is an important tool for informing ENGIE of its impact on individuals and groups. Grievances may be of any kind, including social or environmental, and any negative impacts identified must be appropriately remedied. Full details of the Group's Whistleblowing System are given in Sections 3.1.3.1 "Respect for human rights" and 3.2.3 "Whistleblowing and alert reporting system".

Value chain workers can use the Whistleblowing System to report any infringements they might have experienced. Workers are protected by the whistleblowing process, which is managed by a third party that guarantees their anonymity.

The processes whereby ENGIE encourages use of this Whistleblowing System, and the way in which the Group monitors and processes the issues raised and addressed, and ensures the effectiveness of the system are described in Sections 3.1.3.1 "Respect for human rights" and 3.2.3 "Whistleblowing and alert reporting system".

The Code of Conduct In Supplier Relations invites suppliers to report any ethical incident concerning ENGIE through the ENGIE Whistleblowing System, the address of which is notified to them.

[S2-3 28] The procedures for communicating the system to stakeholders are described in Sections 3.1.3.1 "Respect for human rights" and 3.2.3 "Whistleblowing and alert reporting system". Stakeholders can use this system to voice their concerns or needs and request solutions.

[S2-4 36] No severe human rights issues or incidents connected to affected communities were reported in 2024.

Resources and governance [S2-4]

[S2-4 38] ENGIE allocates internal resources to managing the material impacts on value chain workers. These resources are used to form specialized teams tasked with carrying out due diligence on suppliers and auditing sites identified as "at risk" at the outcome of such due diligence, particularly in sectors or regions presenting a high risk of human rights violations. The whistleblowing mechanism is an integral part of this process, enabling potential problems to be detected and dealt with quickly.

This approach forms part of the Group's **Vigilance Plan**, which includes the procurement vigilance approach outlined in Section 3.2 and on the website at https://www.engie.com/en/ethics-and-compliance/vigilance-plan.

Working conditions relating to the health & safety of value chain workers [2-2, 2-4, 2-5]

Material IROs

- **Negative impact**: exposure of value chain workers to risks that could affect their physical (accidents) and psychological (psychosocial risks, arduous work) integrity at ENGIE sites;
- **Risk**: risk to the Group's reputation in the event of serious accidents involving workers in the company's value chain;
- **Opportunity**: improvement to ENGIE's competitive advantage when responding to calls for tender (specifications including health & safety).

Processes [S2-2]

The Group wishes its subcontractors working on Group sites and work sites to enjoy the same level of health & safety at work as its own employees.

Details of the Health & Safety Policy are provided in Section 3.1.3.2.6 "Health & safety of workers".

[S2-2 22] This ambition, an integral part of ENGIE's Health & Safety Policy, means that particular attention is paid to preventing the risks to which the Group's (sub)contractors may be exposed at its sites and worksites.

In view of its accident record, in particular serious and fatal accidents, the Group has decided to prioritize the prevention of this type of accident for all people working on its behalf at its sites and worksites: employees, temporary workers and (sub)contractors. While it is understood that all (sub)contractors are subject to the same health & safety rules set out in the ethics clause of each contract, stricter rules are nonetheless provided for (sub)contractors working on Group sites and worksites.

The Group's Health & Safety Policy sets a clear objective for the health & safety of (sub)contractors: to guarantee a degree of prevention and protection at least equivalent to that of employees.

To achieve this, the policy specifies the following points to be applied by each entity:

- (sub)contractor selection criteria must include the prevention of health & safety risks;
- contracts with subcontractors must include health & safety requirements;
- the number of contractual levels is limited, and any second-tier subcontractor must be approved by ENGIE.

These points are set out in the Group's rules on (sub)contractor health & safety management, and in the rules governing the process of purchasing services from outside companies.

In addition, (sub)contractors are required to inform their employees and subcontractors of ENGIE's health & safety requirements and to ensure that they are applied.

[S2-2 22d] The agreement including the Health & Safety Policy in the appendix is available on the Group's website at: www.engie.com/en/news/international-social-agreement.

[S2-2 22a, 22b] ENGIE has set up a number of processes on (sub)contractor health & safety management.

These processes are described in a Group Rule on health & safety for (sub)contractors (GR02). It sets out the various health & safety processes applicable to work subcontracted to external companies:

- company qualification involves assessing its health & safety maturity, assessment of the level of risk associated with the service, and identification of corrective actions required;
- subcontractor selection is based on answers to a questionnaire, on health & safety criteria relevant to the service involved, and on the company's ability to meet the Group's expectations;
- inclusion of specific health & safety clauses in the contract, summarizing the generic and contract-specific provisions to be applied. In particular, subcontractors must demonstrate that ENGIE's safety rules are a contractual condition for their own subcontractors and that they are able to meet the Group's requirements;
- the service to be provided must include compulsory stages, such as work preparation, checks on the quality and completeness of documentation, operator safety instructions and a work start-up meeting;
- work is duly coordinated and supervised, to include safety visits, inspections and audits;
- **[S2-2 22e]** The company carrying out the work is assessed for health & safety performance during the work and on completion of it.

In addition, the specifics of subcontractor involvement in industrial projects within the scope of the Group's activities are covered by specific standards that complement the Group Rule on (sub)contractor health & safety.

Actions [S2-4]

In 2021, ENGIE commissioned a specialist consultant to assess its health & safety management system and the maturity of its health & safety culture, and to analyze shortcomings from industry best practices here. In response to the consultant's recommendations, ENGIE drew up and implemented the health & safety ENGIE One Safety transformation plan.

[S2-4 34a, 34b] This transformation plan includes specific training for managers, awareness-raising initiatives for employees, temporary workers and (sub)contractors working for the Group, and regular audits on the prevention of serious and fatal accidents at ENGIE sites and worksites.

The Group also charted a 2024 roadmap on the prevention of accidents involving (sub)contractors, to be implemented jointly by the health & safety, projects and procurement departments. This roadmap includes the following measures:

- specific metrics are introduced for monitoring the health & safety maturity of subcontractors carrying out technical activities on behalf of the Group;
- mandatory training is rolled out on subcontractor qualification and selection processes;

- a subcontractor qualification questionnaire is issued in various versions, for companies of different sizes and work of different complexities;
- guidelines are published on health & safety requirements to be included in contracts (chiefly for major construction projects);
- safety inspections and audits of subcontractors are conducted by the ENGIE managers they report to;
- the Group's internal audits of major risk management include full allowance for the risks to which subcontractors are exposed;
- a dedicated website is published with health & safety documentation for external people and with access to the ENGIE One Safety induction for (sub)contractors.

Details on **[S2-4, 32b, 32d, 33a, 33c]** are provided in Section 3.1.3.2.6 "Health & safety of workers".

KPIs and targets [S2-5]

With regard to the health & safety of its employees, subcontractors and temporary workers operating at Group sites and worksites, ENGIE is targeting the prompt eradication of serious and fatal accidents and further reductions in its Lost Time Injury Rate. This plan is part of the company's wider policy of guaranteeing adequate working conditions for its employees, with particular emphasis on health & safety and respect for human rights.

[S2-5 42a, 42b, 42c] ENGIE pilots its health & safety performance through two main metrics that include accidents of employees, subcontractors and temporary workers, for which maximum targets are set each year:

- the Lost Time Injury Rate for employees, temporary workers and (sub)contractors: 1.7;
- the fatality rate for employees, temporary workers and (sub)contractors: 0.009, with a target of zero.

ENGIE uses standardized methods to calculate and monitor its metrics, including internal control processes and risk assessment tools in the areas of human rights and health & safety. Key assumptions include the active participation of operating entities and the involvement of employees in training and prevention processes. Data on metrics are validated by third-party organizations.

The company has not directly involved value chain workers, their legitimate representatives or other proxies in the target-setting process.

The applied methods are discussed in the specific metrics paragraph in Section 3.1.3.2.5 "Health & safety of workers".

Adequate working conditions [2-2, 2-4, 2-5]

Material IROs

- **Negative impact:** participation in the violation of the fundamental rights and freedoms of value chain workers through the purchase of products or services from high-risk sectors.
- **Positive impact:** contribution to access to decent employment for value chain workers, particularly in activities associated with the just transition.
- **Risks:** legal risk and risks to the Group's reputation (payment of fines, remediation costs, legal costs and payment of damages) in the event of a breach of the duty of vigilance.

Processes [S2-2]

Supplier employees are the value chain workers likely to be affected by ENGIE's activities. They are defined in the introduction to Section 3.1.3.3 "Workers in the value chain (excluding energy)" in **[SBM-3 11]**.

[S2-2 22] Material impacts, risks and opportunities for value chain workers are managed through responsible purchasing and social responsibility policies.

[S2-2 22b, 22c] All Group entities are required to annually assess their activities with regard to their impact on human rights, using a dedicated self-diagnostic scorecard. The findings of this assessment are managed and analyzed by the Ethics, Compliance & Privacy Department (ECPD).

[S2-2 23] ENGIE seeks to reduce its number of suppliers, focusing on strategic and sustainable partnerships for a more accurate view of perspectives of value chain workers. This will maximize supply chain value while promoting innovation, sustainability and resilience.

The Group is not in a position to publish information on the terms of engagement with workers in the value chain **[S2-2 22a, 22d, 22e]**.

Actions [S2-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
[S2-4 32b] Reinforced due diligence to prevent the risk of forced labor practices in the Group's supply chains located in high-risk countries	Action taken in 2024	Improved capabilities in real-time tracking and reporting of supplier training and compliance, for better oversight and risk management.	The tool applies to all Group entities, along with key suppliers.	Annual
Mandatory training plan on ethical supplier relations and due diligence in the purchasing process.	Action taken in 2024	Improved supplier compliance with ethical and social standards, mitigating risks in the supply chain.	The whole of the Procurement functional line is trained in this area.	Annual

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Ethical audits of production sites in high-risk sectors such as solar panels and wind turbines.	Action taken in 2024	Improved supplier compliance with ethical and social standards, mitigating risks in the supply chain.	Audits include site visits, document reviews and interviews with employees. They are carried out either by ENGIE or by independent third parties. Where necessary, these are followed up by corrective action plans.	Annual
In the Middle East, specific audits of workers' living quarters, particularly on building sites and other work sites.	Action taken in 2024	Improved living and working conditions for building site workers in the Middle East.	Targeted audits of workers' living quarters in high-risk areas, especially on building sites. Where necessary, these are followed up by corrective action plans.	Annual

[S2-4 32a] ENGIE has run specific actions to manage the material impacts, risks and opportunities concerning workers in the value chain. Under the Group's vigilance approach, a specific in-depth vigilance action plan to identify the risks of forced labor practices in the Group's supply chains in China was launched in 2020. These details are provided in the legal due diligence requirements contained in the Vigilance Plan, in Section 3.2.1.1 "Preventing and managing risks related to human rights".

[S2-4 33a, 33b] ENGIE also adapts its approach to managing the material impacts of value chain workers according to risks (arising from procurement categories and production countries) and supplier types (strategic, preferred, major, transactional). Each procurement category applies the Group's internal policies and processes according to these specificities and criticality levels.

[S2-4 34a, 34b, 35] For example, in the Project and Construction category, for suppliers with a high purchasing volume and/or long-term contracts, ENGIE applies a specific selection process aimed at assessing the relevance of a supplier's health & safety policy prior to its inclusion in a call for tenders, as part of an onboarding process.

Then, supplier qualification includes a due diligence questionnaire using separate analyses to assess health & safety management, and human rights. The findings (low, medium or high risk) determine the corrective actions required, such as exclusion of the supplier or subcontractor, or the obligation to implement certain actions in order to be included in a future call for tenders.

[S2-4 32a, b, c, d] This information is summarized in the action table above.

KPIs and targets [S2-5]

ENGIE uses standardized methods to calculate and monitor its indicators. These include internal control processes and tools to assess human rights and health & safety risks. Operational entities and employees actively participate in training and prevention actions. The Group is studying the operational procedures needed to collect the information required to publish these metrics.

3.1.3.4 Workers in the value chain (energy) [S2]

For value chain workers in the energy sector, the material IROs are:

- Negative impact: involvement in the violation of fundamental rights and freedoms of value chain workers involved in potentially high-risk energy purchasing activities.
- Risks: legal and reputational risks (payment of fines, remediation costs, legal costs and payment of damages) in the event of a breach of duty of vigilance.

Introduction [SBM-3]

Global Energy Management & Sales (GEMS) is ENGIE's operating entity in charge of the Group's sustainable energy procurement. GEMS oversees the majority of ENGIE's energy supply activities.

These activities include natural gas (including LNG), biomass, biomethane, (renewable) energy, carbon credits, Guarantees of Origin, International Renewable Energy Certificates (I-RECs), hydrogen and ammonia, among others.

Description of the types of value chain workers concerned [SBM-3]

[SBM-3 11] Value chain workers are those of the direct energy suppliers. They are spread across the globe, since ENGIE's energy supply activities are worldwide. ENGIE makes efforts to identify its value chain workers and to assess whether its activities contribute directly or indirectly to the non-respect of these workers' fundamental rights and freedoms by performing due diligence on counterparties, business relationships and supply chains. Depending on the country and activity in question, ENGIE's value chain workers may be exposed to high risks. Employees of companies in the upstream energy supply chain are considered to be value chain workers, and are therefore covered by the identification of social and societal risks.

If the upstream energy supply chain is known, it is possible to identify potential risks for value chain workers. However, for volumes purchased on a virtual market place, for example, the upstream energy supply chain is unknown, so such risks cannot be identified.

In 2024, no significant negative impacts on value chain workers in existing business relationships were identified.

Policies and processes [S2-1 16, S2-1 17a]

The social and environmental risks associated with ENGIE's energy supply activities have been identified as a specific vigilance matter for the Group. Throughout its energy procurement and supply activities, ENGIE is committed to preventing or mitigating the risks of any negative impacts on people and the environment that may be caused by such activities, including any non-respect of the fundamental rights and freedoms of its value chain workers.

Environmental and social risks in the various energy supply chains are identified through research using public domain information, before then being assessed and monitored by the ESG team. Where necessary, reasonable measures are taken to mitigate identified risks.

Due diligence process

The supply chain due diligence process aims to ensure that ENGIE only does business with suppliers who share its human rights, fundamental freedom, health & safety and environmental commitments.

Where the ESG performance due diligence process reveals that an energy supplier's ESG policies are not published (for example, human rights or health & safety policies), an ESG questionnaire is sent to the supplier to gather additional information. Depending on the information gathered, mitigation measures may be requested. Mitigation measures may include the inclusion of ESG conditions in the contract or even the termination of the business relationship with the counterparty.

For specific high-risk business relationships, an independent social and environmental risk assessment may be requested. An example of a potentially high-risk business relationship is sourcing biomass from counterparties operating in countries at risk of deforestation.

[S2-2 22] ENGIE does not tolerate any suppliers who fail to respect the human rights and fundamental freedoms of value chain workers, and action may be taken if adequate mitigation measures cannot be put in place.

Suppliers can prove that they have implemented strict social and environmental performance criteria by providing ESG certification issued by an independent ESG certification body. For specific high-risk activities, such as biomass procurement, ENGIE only accepts biomass with sustainability certifications (PEFC from non-controversial sources, FSC controlled wood, the SBP scheme or an equivalent voluntary scheme recognized by the European Commission under the EU REDII directive). These sustainability schemes also cover potential incidents linked to the human rights of value chain workers.

Based on the information provided, the ESG team makes recommendations on whether to continue or terminate (potential) business relationships.

To ensure that the required standards are upheld across the entire supply chain, contracts include conditions requiring suppliers to monitor and apply these standards in their own operations and supply chains, as well as to make improvements to meet or even exceed the Group's expectations and the expectations of its customers, as set out in the Group's Vigilance Plan.

ENGIE is committed to continuous improvement and strives to enhance the social and environmental performance of its energy supply chains.

Social and environmental risks are regularly reviewed. Suppliers who are classified as high risk are reviewed on an annual basis. All other suppliers are reviewed every three years. Risk assessments are documented to ensure that identified risks are taken into account during discussions with ESG-approved energy suppliers.

GEMS Energy Supply Vigilance Policy

The approach outlined above is fully supported by the Chief Executive Officer of Global Energy Management & Sales (GEMS), and is also reflected in GEMS' Energy Supply Vigilance Policy. This due diligence policy requires suppliers to continuously monitor and apply strict ESG standards in their own operations and along their own supply chains, in line with ENGIE's environmental and social policies.

[MDR-P 65a] GEMS' Energy Supply Vigilance Policy stipulates that ENGIE's commitments and requirements must be applied in its own relations with suppliers and throughout its own supply chains.

[MDR-P]	Energy Supply Vigilance Policy
Scope of application [MDR-P 65b]	The Energy Vigilance and Procurement Policy applied by Global Energy Management & Sales (GEMS) covers GEMS' energy procurement activities. GEMS also manages the majority of ENGIE's energy supply activities.
Management level responsible for implementation [MDR-P 65c]	The GEMS Department, with the support and oversight of the GEMS ESG team.
Relevant third-party standards or initiatives [MDR-P 65d]	The ENGIE Group is committed to the United Nations Global Compact, aligned with the Sustainable Development Goals (SDGs) and the Paris Agreement, and ensures that human rights are respected in its operations. ENGIE is also committed to respecting international standards, in particular International Labour Organization standards, and does not tolerate any form of human rights abuse or any violations of integrity.
How the policy is made available [MDR-P 65f]	The protection of human rights and the environment are integrated into supplier contracts through an ethics clause and/or a specific ESG clause.

Dedicated actions and resources (S2-4 31)

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Strict ESG due diligence on energy suppliers	Action taken in 2024	Exclusion of suppliers that do not meet ENGIE's environmental or social standards	GEMS' global third-party energy procurement and management activities (no ENGIE projects)	Annual
Development of ESG guidelines for every product supplied (shale gas, biomass, biomethane, carbon credits, I-RECs, renewable energy)	Action taken in 2024	Creation of a consistent global ESG approach for GEMS	GEMS' global third-party energy procurement and management activities (no ENGIE projects)	Annual
Joining the Responsible Commodities Sourcing Initiative (RECOSI)	Action taken in 2024	Leverage exerted with peers to boost the ESG performance of the GEMS natural gas supply chain	Natural gas suppliers – worldwide, taken from the GEMS portfolio	Annual

Strict due diligence [S2-4 32a, 32d, 33a, 33c]

A dedicated team has been trained on the ground in order to provide due diligence on (complex) energy supply chains. Members of this team are currently operating in Europe, the United States and Singapore, which makes it possible to cover activities on a global scale.

For potentially high-risk energy procurement activities, operational ESG guidelines are drawn up to create global consistency. Guidelines have also been drawn up by activity for biomass, natural gas, I-RECs, biomethane, carbon credits and renewable energies. New guidelines are drawn up as and when they become necessary. The due diligence methodology is easily accessible and regularly reviewed by the ESG team, who also use relevant applicable standards to assist them in their work.

The ESG term carries out a periodic review of any high (potential) ESG risks identified. The results of this review may lead to the implementation of further mitigating measures or the termination of the business relationship.

Contractual terms and conditions

Social and environmental risks are reflected in the conditions contained in the ethical clauses incorporated into contracts. The conditions require suppliers to protect the environment as well as human rights, which prohibit the use of child labor and all forms of forced or compulsory labor. If necessary, other contractual provisions may be required to ensure that environmental and social risks are properly taken into account by suppliers. In each ethics clause, reference is made to the "GEMS Energy Supply Vigilance Policy" in order to cover any potential value chain risks.

KPIs and data

ENGIE is in the process of defining metrics to measure the deterioration in the environmental and social quality of alternative supply chain sources from which it has made purchases due to market instability and resource scarcity. These measures will be disclosed as and when they are defined.

3.1.3.5 Affected communities [ESRS S3]

Introduction [SBM-2, SBM-3, S3-1, S3-2, S3-3, S3-4]

[ESRS-2 SBM-2 AR 3] ENGIE is committed to respecting internationally recognized human rights and not undermining the rights of stakeholders potentially affected by its activities. The Group also aims to maximize the positive impact of its activities on local communities and populations. Among them, affected communities are of particular importance to the Group's activities.

[ESRS-2 SBM-2 AR 4] As a global energy company, ENGIE depends on local institutions and infrastructure. Trust and good relations with local communities and the people who live there are of paramount importance to ENGIE's activities. The interests, views and rights of affected communities, particularly human rights, are taken into account by the Group, particularly at local level, on a project-by-project basis. To do this, the Group endeavors to regularly assess the potential impact of its activity on communities at every stage of a project and ensures that their expectations are taken into account through dialogue and consultation.

[S3-1 16a, 16b] The Group's engagement with affected communities is based on key international frameworks that define human rights principles for undertakings (see Section 3.1.3.1 "Respect for human rights"). The Group implements a number of different processes to structure its stakeholder engagement: firstly, a mapping process to identify stakeholders, then a process to carry out risk analyses, and finally a process to implement action plans to engage in a fair, open and transparent dialogue that includes listening to the needs, concerns and expectations of these affected communities. This dialogue approach is described in the Group's Stakeholder Engagement Policy, available at the following address: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Stakeholder%20Engagement%20Policy.pdf. It includes a specific provision for affected communities, including indigenous peoples and local communities. The Group's engagement policy and strategy are detailed in this section under "Processes for engaging with affected communities".

Material IROs [SBM-2, SBM-3]

As part of its double materiality assessment, ENGIE has identified IROs grouped into two sub-topics: (i) Dialogue and rights of affected communities (negative impacts and risks) and (ii) Presence in the regions (positive impact).

The table below summarizes these impacts and risks, grouped by sub-topic:

Positive impacts	Negative impacts	Risks
DIALOGUE AND RIGHTS OF AFFECTED COMMUNITIES		
• None	• Impacts on communities due to industrial incidents • Impact of Group operations on community rights • Impact of upstream value chain activities on communities	• Challenges to the license to operate and the risk of project stoppages or legal action being taken by affected communities • Operational, financial and legal risks
PRESENCE IN THE REGIONS		
• Job creation and contribution to local wealth	• None	• None

The IROs are described in Section 3.1.1.4.2.

Material IROs and their interaction with ENGIE's strategy and business model

[SBM-3 9c] ENGIE's activities have a positive impact on a large number of people, particularly those living or working in the areas where the Group operates. The Group's activities have an impact on a local level in terms of employment and contribution to the wealth of the countries in which it operates, which also benefits members of these local communities.

Social initiatives are implemented on the basis of needs identified during consultations with affected communities. These may include, for example, access to energy, measures to improve the quality of life of people living in the vicinity of ENGIE's projects, directly benefiting from infrastructure or community initiatives that promote sustainable local development and access to clean energy, collaborative agreements with local groups as part of reforestation programs, measures to preserve a region's water reserves, or workshops and discussions to raise awareness of various initiatives organized with local residents, schools and universities.

[SBM-3 9b] ENGIE's activities can nevertheless have negative impacts on communities, particularly those living in the vicinity of its projects or industrial sites.

The main matters related to the human rights of communities are as follows:

- health of neighboring populations;
- living conditions of neighboring populations (food, water, housing, culture, access to resources, etc.) and the right to a healthy environment;
- rehousing of populations;
- preventing repression of people who oppose the Group's projects.

ENGIE's activities may present risks of industrial accidents that could cause damage to people, property or the environment, given the various industrial installations operated by the Group on its own behalf or on behalf of customers. Nuclear activities present nuclear safety risks that could have an impact on communities.

In addition, the Group's activities may present inherent risks of serious harm to the living conditions and the right to a healthy environment of the communities surrounding its sites. During the construction of solar farms, for example, there are possible risks for biodiversity zones, archaeological sites and communities.

These impacts are related to individual incidents in the Group's own operations or could be related to a specific business relationship. ENGIE also takes into account the impacts on affected communities that may arise from the energy transition, such as the closure of coal-fired power plants.

Impacts on communities may also stem from environmental matters such as:

- climate change as a result of investments in renewable energy projects that may affect the lands, territories and natural resources of the communities;
- pollution emitted by an industrial site, for example, which may affect the health of the communities;
- water sources due to the possibility of negatively impacting the access to clean drinking water of communities when withdrawing water in water stressed areas;
- biodiversity and ecosystems due to the impacts of industrial activities that could harm the environment of communities or compromise the quality of life of their inhabitants;
- resource use and circular economy, through poor management of hazardous waste, for example, which can negatively impact the health of communities.

[SBM-3 9d] These negative impacts present risks of various kinds for the Group, including operational, financial and legal risks. The Group's projects could therefore be called into question and forced to be put on hold or canceled in the event of a conflict due to inadequate stakeholder consultation, or a lack of acceptance of the project leading to a loss of stakeholder commitment. **[SBM-3 11]** These risks concern all affected communities, without distinguishing any specific group.

[SBM-3 9] All communities likely to be materially impacted by the Group, particularly through its activities, are included in the scope of its disclosure.

[SBM-3 9a] Communities likely to be affected by the Group are groups of people living or working in areas where the Group's operating sites, facilities or other physical operations are located, as well as those involved in certain activities upstream of the Group's supply chains and who are affected or likely to be affected by these operations. More remote communities may also potentially be affected by activities at those sites (for example by downstream water pollution).

Geographic areas and main activities concerned according to types of community

Residents (urban, rural and agricultural communities)	• All geographic areas	Networks (distribution, gas storage), production units (nuclear power plants, gas, biomethane), renewable energies (wind, solar, dams), battery storage
Vulnerable communities (indigenous peoples, ethnic minorities)	• United States, Canada: Native American lands, traditional territory of the First Nations (indigenous lands) • Brazil, Chile, Mexico, Peru: indigenous, quilombola or traditional communities in Brazil, indigenous peoples of Calama or the Antofagasta region in Chile, Mapuche community in Chile, indigenous communities in the states of Yucatán and Campeche in Mexico, etc. • North Africa, Southeast Asia, Australia: indigenous peoples; Saudi Arabia (indigenous peoples, nomadic peoples), French Polynesia and New Caledonia (indigenous and tribal peoples)	Infrastructure (gas and/or electricity transport and distribution), renewable energies (wind, solar, dams), hydrogen production, battery storage
Neighboring communities (fishermen, farmers, hunters, etc.)	• France, Europe, Brazil • All farming areas	Renewable energies (offshore wind and dams for fishing, wind and solar power for farming)
Human rights defenders	• All geographic areas	Any activity

[SBM-3 10] Careful attention is paid to more vulnerable communities, such as indigenous peoples, and to the most vulnerable people within communities, both in terms of identifying these people and managing impacts. To this end, ENGIE refers to international treaties concerning the situation of women, children, indigenous peoples, minorities and persons with disabilities.

The Group also pays particular attention to countries or areas considered to be "high-risk" in terms of human rights, such as conflict zones, should the Group conduct operations in these areas, by identifying and taking into account the specific risks for potentially affected communities in these areas and putting in place an action plan to manage the risks identified.

Overall strategy

Policy in place [S3-1]

[S3-1 14] Section 3.1.3.1 “Respect for human rights” describes the Group's general approach to upholding human rights, and presents the Group's Human Rights Vigilance Policy, which applies to all communities when managing material impacts and risks.

The Group also relies on various cross-functional or issue-specific policies, such as its Stakeholder Engagement Policy.

[S3-1 16a, S3-2 23] ENGIE's commitment to respect human rights of affected communities is set out in its Human Rights Vigilance Policy. The Group is particularly attentive to the impact of its activities on local communities' right to health and a healthy environment, as well as on their ownership rights, their right to an adequate standard of living (including water, food and housing) and their access to natural resources. In situations of displacement of populations, it ensures that international principles are respected, and in particular that displaced communities have given their free, prior, and informed consent, as well as their agreement to fair and adequate compensation.

[S3-1 15, S3-2 23] ENGIE specifically takes into account the situations of indigenous peoples and is committed to respecting their rights as defined in the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention No. 169 on Indigenous and Tribal Peoples.

[S3-1 16c] A societal plan is drawn up in accordance with the Stakeholder Engagement Policy, setting out the actions to be taken, in consultation with stakeholders, to enable remedy for human rights impacts on communities. ENGIE's aim is to cover all its industrial activities by 2030 (see “Targets” in this section).

[S3-1 17] The Group's policies are based on international standards for the protection of human rights, which it is committed to respecting as a minimum, regardless of local legislation. In particular, these policies are based on internationally recognized standards relevant to communities and indigenous peoples specifically, including the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Further information can be found in Section 3.1.3.1. In April 2023, a complaint was lodged by NGOs with the OECD's Dutch National Contact Point against ENGIE and other companies, alleging that the companies had failed to meet the standards expected of them by the OECD Guidelines for Multinational Enterprises in relation to serious acts alleged to have taken place in certain production areas of the Group's former coal suppliers in Colombia. ENGIE has cooperated fully in this investigation. In 2024, the plaintiffs decided to withdraw the complaint against ENGIE.

Processes for engaging with affected communities [S3-2]

[S3-2 21] The Group's interaction processes with stakeholders are not only a means of better understanding their expectations and reducing legal and reputational risks, but also of better integrating into the local community. Faced with growing societal challenges, the ENGIE Group decided to draw up principles applicable to its relations with stakeholders, and to roll out a range of resources designed to keep pace with the changing context in which it operates and to meet today's challenges. The Group has therefore put in place a Stakeholder Engagement Policy deployed through internal tools for use by its operating entities. The policy is available at the following address: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Stakeholder%20Engagement%20Policy.pdf. These tools are based on current international standards such as ISO 26000 and AA1000. The engagement of affected communities must therefore be guaranteed throughout project life cycles. **[S3-2 21a]** On a project-by-project basis and depending on the identified risks, a strategy and an engagement plan are defined in order to gather the views of the affected communities. [**S3-2 21b]** The frequency of interaction is specific to each project, and discussions take place as close to the area as possible, generally in the form of public meetings. **[S3-2 21c]** Business developers or site managers are responsible for setting up dialogue with affected communities, under the responsibility of Country Managers.

[S3-2 21d] Each year, each operating activity or site assesses its level of stakeholder engagement based on the Group-wide reference system. This self-assessment reference system is based on the AA1000 standard for stakeholder management developed by the NGO AccountAbility, an internationally recognized institution in the field of sustainability.

The engagement process detailed in this framework consists of several specific stages, each designed to ensure effective engagement with stakeholders (structured, transparent and beneficial for all parties involved).

Data from operating sites is compiled by the Group's ESG Department, which proposes a standard methodology for structuring stakeholder engagement, responding to the evaluation of the reference system and enabling data to be aggregated at Group level. This method contributes to the calculation of the metric linked to the target of having 100% of activities covered by stakeholder engagement.

[S3-2 22] The strategy and engagement plan are defined to gain insight into the specific nature of the affected communities, especially where they are particularly vulnerable.

Examples: illustration of interactions with affected communities

In the United Kingdom, ENGIE engages with local communities through its biomethane production projects. ENGIE recently held a consultation regarding its planned anaerobic digestion facility on the east side of Long Lane in Yorkshire, an initiative aimed at strengthening engagement with local communities. The project is designed to transform organic waste into renewable energy, thereby helping to reduce waste and combat climate change. By involving residents in the consultation process, ENGIE is seeking to mitigate concerns about the project's environmental impact and ensure that input from local communities is acknowledged. This proactive approach not only fosters greater acceptance of the project, it also creates economic opportunities for the region, while addressing the sustainability challenges facing communities today.

Processes to remedy negative impacts and channels for affected communities to raise concerns [S3-3]

[S3-3 27a] All information relating to the Group's Whistleblowing System, the processes for providing remedy where it has identified that it has caused a negative impact on affected communities, how the Group assesses that the remedy provided is effective and the adoption of policies to protect individuals who use these systems against retaliation are set out in Section 3.1.4.1.5.

[S3-3 27b] At local level, and depending on the risks identified, the entities also put in place appropriate mechanisms at operational level for affected communities to raise their concerns.

[S3-3 27c] The entities have also been asked to inform external stakeholders about the existence of local and Group-level grievance mechanisms, including through engagement with stakeholders.

Resources and governance [S3-4]

[S3-4 38] With regard to the resources allocated to the management of its material impacts, the Human Rights Vigilance Policy sets out the processes, at both Group and entity levels, to ensure that risks are managed, and details the internal functions responsible for implementing them.

[MDR-A 68d, 68e, 69a] Each GBU and entity ensures that the Group's human rights commitments are upheld within its sphere of activity. The Human Rights Vigilance Policy is implemented within the GBU and entities by the legal and ethics teams and other relevant departments (see Section 3.1.4.1 “Ethics and business conduct”).

The contribution of Country Sustainability Officers, Local Societal Officers, Business Developers, site managers and ESG Department teams at corporate level is also highlighted.

In certain situations, ENGIE calls on external experts in human rights and affected communities, for example, to conduct a human rights impact assessment and undertake engagement with stakeholders.

Dialogue and rights of affected communities [S3-4, S3-5]

[S3-4 32a, 32b] The overall approach regarding the Group's actions to prevent or mitigate material negative impacts on affected communities is described in Section 3.1.3.1 and under "Policy in place" in this section. The measures in place to ensure industrial safety and nuclear safety are described in Section 3.1.4.3.3 "Industrial safety". Community impacts that may result from environmental impacts are managed through processes set out in Section 3.1.2 “Environmental information”. The implementation of ESG policies and environmental studies including compensatory, mitigation and environmental authorization measures required for all activities also helps to manage community risks.

For example, the Group's activities may occasionally lead to air, water or soil pollution incidents. In this case, crisis procedures are triggered to remedy the negative impacts, analyze the origin of the incident and implement corrective actions. In the case of negative impacts linked to changes in the business, such as restructuring and plant closures, support measures are put in place to ensure a resilient transition for the area and therefore for the affected communities.

Actions [S3-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Implementation of the Group's Vigilance Plan (human rights, ESG, health & safety, security, procurement)	Action taken in 2024	Contribution to achieving vigilance policy objectives Identification, prevention and management of negative impacts on affected communities, ensuring that any human rights incidents were dealt with appropriately	Activities of the Group, its controlled companies and its subcontractors or suppliers with which it has established business relationships	Annual
Implementation of societal plans integrating principles, methodologies and actions to be taken in consultation with stakeholders	Action taken in 2024	A societal plan for each industrial activity	All Group activities	Annual
Implementation of remediation plans by operational teams based on identified risks	Action taken in 2024	In the event of an impact, appropriate measures taken to support the affected communities in cooperation with the relevant authorities	All Group activities	Annual

The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the nature of the activities to implement the action plans mentioned above. However, given the nature of these expenses, they are considered as potentially having no significant financial impact.

Some examples illustrating actions taken to prevent, mitigate or remedy negative impacts on affected communities (see Section 3.1.1.4.2 "Material impacts, risks and opportunities"), are presented below:

Example: Mexico

The Cuxtal II project for a gas pipeline through Tabasco, Chiapas, Campeche and Yucatán is the result of more than three years of negotiations with the Mexican electricity regulator (Federal Electricity Commission – CFE) and a consultation period for affected communities from February 2022 to January 2024. This process was carried out in compliance with Mexican legislation and the International Labour Organization's Convention 169 on Indigenous and Tribal Peoples.

ENGIE Mexico organized 217 meetings attended by around 15,000 people. The aim of the consultation process was, on the one hand, to establish the initiatives ENGIE would take to engage with communities and stakeholders in the project's area of influence in order to address the social impacts that would occur during the preparation, construction and operation phases and, on the other hand, to take into consideration their social conditions and needs, particularly those of indigenous populations, from a human rights and value-sharing perspective.

The social impact assessment identified 38 indigenous localities in the states of Yucatán and Campeche, for which a free, prior, and informed consent process was required. The process was led by the Mexican Minister of Energy and, after an historic process, 100% of the communities gave their consent to the development of the project. ENGIE has set up a social management plan aimed at preventing and mitigating any impacts, communicating with the local communities (project location, duration, size, scope and purpose; complaints and suggestions) and developing social investments (access to clean energy, drinking water, reducing the environmental footprint). As part of these agreements, it was decided that 129 social benefits would be put in place. To date, ENGIE Mexico has begun implementing them, with their completion scheduled for December 2024.

ENGIE Mexico also decided to implement a program to train local suppliers and integrate them into the value and supply chains in line with the company's policies. This consolidated the positive local impact and the status of potential suppliers, by having them commit to comply with the company's environmental, social, economic and governance requirements. In January 2025, ENGIE became the first global company to obtain UN accreditation (UNFC and UNRMS methodology) for its integrated strategy to strengthen and develop sustainable local supply chains as part of this project.

Example: Chile

The Calama wind farm is located in the highlands of Chile's Antofagasta region. ENGIE has developed relationships with six of the Atacama's indigenous communities. In line with ENGIE's stakeholder engagement policy and within the framework of permanent working groups, projects providing access to clean energy have been developed in public spaces since 2021. Examples include the installation of solar panels in public, cultural or historical buildings in Ayquina, and in the town of Caspana, as well as ongoing work to support communities regarding their various needs and emergencies as well as traditional and heritage festivities.

Another project involves the municipality of Maria Elena, situated in the middle of the Atacama desert, where construction of the largest battery storage park in Latin America began in 2022. The stakeholder relations strategy, the main aim of which was to raise awareness and improve acceptability of this new technology, focused on a communication plan with all stakeholders to raise awareness, with particular emphasis on the Maria Elena Fire Department, which plays a key role in dispelling fears about batteries and possible accidents. A long-term plan has been drawn up, covering measures ranging from safety clothing and communication systems to battery firefighting training for local firefighters, as well as emergency drills on site during construction and throughout the period of operation.

Example: Brazil

Brazilian legislation requires studies of socio-economic and environmental impacts on surrounding areas to be conducted prior to project implementation and approved by accredited bodies. Once the projects have been implemented, programs are maintained, focusing in particular on areas close to the sites. Every two years, as part of the stakeholder consultation process, a dialogue phase takes place with communities to assess the effectiveness of past actions and obtain feedback on positive and negative social impacts. Based on the outcomes of this engagement phase, the programs implemented are reassessed, taking into account the local social context, in order to maintain or reinforce positive impacts.

ENGIE is committed to respecting traditional communities, indigenous peoples and quilombolas, among others, in areas close to its sites, whether they are already in operation or under development. Within the framework of Convention 169 of the International Labour Organization (ILO), interaction with these communities is based on the principle of free, prior, and informed consent on matters that concern them, and on support for their socio-economic development, in a way that is compatible with their culture and guarantees the safeguarding of their rights.

The initiatives deployed in 2023 in the community of Bela Vista do Piató Quilombo Remnant, in the rural area of Assú, near the Assú Sol photovoltaic site and the area of influence of the Assú V photovoltaic complex, illustrate ENGIE's commitments. Throughout the year, meetings were held with community members to present the concept of the new project, answer questions, listen to their opinions and establish direct communication with ENGIE Brasil Energia. Following these meetings, a diagnosis was drawn up, with the aim of identifying the community's socio-economic profile and demands relating to its sustainable development. On this basis, a series of socio-environmental measures was drawn up. These actions were presented to and approved by the community and the body responsible for issuing the permits, the Rio Grande do Norte Institute for Sustainable Development and the Environment (Idema).

[S3-4 32c] Initiatives with the purpose of delivering positive impacts for affected communities are taken at local level, where appropriate, in line with projects and local needs.

[S3-4 32d] ENGIE has set a target dedicated to stakeholder engagement to be met by 2030 through the gradual rollout of societal plans for all its industrial activities. This target ensures the deployment of the Group-wide stakeholder engagement approach, and is reviewed annually by the Executive Committee. The absence of controversy at these sites is a testament to the effectiveness of the measures implemented.

[S3-4 33a] Each GBU and entity is asked to ensure that the Group's human rights commitments are respected within the scope of their activities, and in particular to assess the risk of violating a community's human rights, and to implement appropriate action plans for any risks identified.

[S3-4 33b] In situations of displacement of peoples, the Group ensures compliance with international principles, and in particular that displaced communities have given their free, prior and informed consent, as well as their agreement to fair and adequate compensation. To this end, the Group undertakes to regularly assess the potential impact of its activity on communities at every project stage and ensures that their expectations are taken into account through dialogue and consultation.

[S3-4 33c] At local level, the operational teams must monitor the effectiveness of their action plans. This monitoring and assessment of the effectiveness of actions can be carried out through internal or external audits, impact analyses, measurement systems, stakeholder feedback, complaints mechanisms and external performance ratings. The entities report annually to the Group on the actions taken, within the framework of existing processes, and the inter-departmental vigilance monitoring committee, which meets several times a year, monitors the implementation of these actions. For example, ENGIE monitors the implementation of societal plans. This involves data collection, performance assessment and giving feedback to stakeholders. In this way, ENGIE ensures that it makes a positive contribution to its communities. **[S3-4 35]** Additionally, the processes for managing material risks related to affected communities are integrated into the company’s existing risk management processes. **[S3-4 38]** Details of the resources allocated to managing material impacts are set out in this section under "Resources and governance".

[S3-4 36] No severe human rights issues or incidents connected to affected communities were reported in 2024.

Targets [S3-5]

Nature and description of target	2030 target	2024 reporting
Proportion of industrial activities with a societal plan for consultation with local stakeholders	100%	54%

[MDR-T 80b] This target ensures that the Group's stakeholder engagement approach is deployed throughout the Group. **[MDR-T 80h, 80c, 80e]** All Group activities are covered by this target, which is monitored annually.

Presence in the regions [S3-4, S3-5]

Actions [S3-4]

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Carry out a study of the Group's worldwide socio-economic footprint in 2023/2024, following a first edition published in 2019	Action taken in 2024	Measure the Group's contribution to local economic and social development for the benefit of populations and communities	Countries where the Group owns assets or operates	2024 (non-annual)

This study was carried out based on 2022 data for all the Group's activities, i.e., renewable energies, networks, energy solutions, energy production and retail and other activities. The study covers countries where the Group holds assets or operates. It is available at: https://www.engie.com/sites/default/files/assets/documents/2024-03/ENGIE_RI24_VA_0103.pdf.

The Local Footprint® model used by Utopies to carry out this study is based on a sector-specific breakdown of 380 economic sectors put together using dozens of up-to-date national and international statistical sources, guaranteeing the model's robustness and in line with a methodology duly approved by international auditing firms.

The study presents the number of jobs supported worldwide and the wealth created in terms of contribution to gross domestic product in each country. Based on 2022 data, ENGIE thus supports over 2.2 million jobs worldwide, i.e., a multiplier coefficient of 23.3 in relation to direct employment, and has generated over €125 billion in GDP, i.e., a multiplier coefficient of 6.2 in relation to the Group's direct expenditure (purchases, taxes, salaries).

3.1.3.6 Consumers and end-users [ESRS S4]

Introduction [SBM-2, SBM-3, S4-1, S4-3]

Material IROs [SBM-2, SBM-3]

[SBM-2 8] ENGIE has made stakeholder engagement a key element for enhancing its strategic thinking to accelerate the energy transition and create sustainable, shared value (see Section 3.1.1.2.3 "Stakeholder involvement"). Consumers and end-users, as well as their representatives (regulators, local/national authorities, consumer associations, etc.), are two of the eight stakeholder categories with which the Group engages. Their concerns, feedback and expectations are integrated into the rollout of ENGIE's strategy and business model in each country where it operates. The mechanism for exchanging information is described in the parts of this section dealing with "the processes for engaging with consumers and end-users".

[SBM-3 9a, b] ENGIE's double materiality assessment identified two positive impacts, one negative impact, one risk and one opportunity with regard to consumers and end-users. These five impacts, risks and opportunities (IROs) apply to two material sub-topics: (i) just transition (positive impacts, risk and opportunity) and (ii) personal data protection (negative impact), which are dealt with in two separate parts of this section.

The table below shows the IROs by sustainability sub-topic:

Positive impacts	Negative impacts	Risks	Opportunities
SUB-TOPIC 1: JUST TRANSITION			
• Enable consumers and end-users to consume better • Enable consumers and end-users to consume less		• Regulatory caps on energy prices	• Develop new services and offerings aligned with consumer and end-user needs and expectations
SUB-TOPIC 2: PERSONAL DATA PROTECTION			
	• Violation of confidentiality and security in the processing of personal information and data		

A description of the IROs is presented in Section 3.1.1.4.2 “Material impacts, risks and opportunities”.

[SBM-3 10a] Customers in the downstream value chain are purchasers of the energy produced and end-consumers of energy (see Section 3.1.1.2.2 “The value chain”). This section deals only with consumers and end-users, i.e., direct residential customers (first tier of the value chain) who buy the Company’s products and services for personal use. ENGIE has a portfolio of 19.1 million gas and electricity energy contracts for which it offers a range of energy monitoring services in seven countries (Australia, Belgium, France, Italy, Mexico, the Netherlands and Romania).

[SBM-3 10a ii] These products and services potentially negatively affect the privacy and personal data protection rights of consumers and end-users (negative impact).

[SBM-3 10c] The supply of energy and related services has a positive impact on all consumers and end-users. ENGIE is committed to helping its individual customers navigate the path towards a fair and affordable energy transition. Its range of green energy offers (electricity and gas) and related services enables consumers and end-users to consume better by reducing their environmental impact, and less, by encouraging them to be more energy-conscious and actively involved in their own energy transition. This approach forms part of the Group’s Climate Strategy (see Section 3.1.2 “Environmental information”).

[SBM-3 10b] At the same time, these products and services require the collection and processing of personal data in order to draw up contracts and invoices, manage post-sales relationships, track energy consumption, etc. Consequently, all consumers and end-users **[SBM-3 11]**, regardless of their characteristics or use of specific products and services, may be potentially or actually affected by the negative impacts arising from **[SBM-3 10b ii]** an individual incident that violates the confidentiality and protection of personal data.

[SBM-3 10d] The energy sales activities represent a financial risk for the Group since governments could be tempted to stabilize, limit or freeze supply prices to protect consumers in the event of a sharp increase in energy prices. The financial risk associated with reduced margins, or even the failure to cover costs, could be considerable in the absence of any government compensation measures. This risk is identified in the Group’s risk factors (see Section 2.2.1 "Political and regulatory risks"). It is monitored and analyzed as part of the overall risk management policy.

Lastly, ENGIE’s commitment to a just transition and its determination to support its customers represent a growth opportunity for the Group through the development of new products and services to meet the needs of **[SBM-3 12]** all consumers and end-users, and continuously adapt to their changing expectations in terms of sustainable consumption.

Policies and overall strategy [S4-1]

[S4-1 15] Section 3.1.3.1 describes the Group’s overall approach to human rights and, in particular, its universally applicable Human Rights Vigilance Policy. The approach is supplemented by cross-functional Group policies that ensure the effective management of positive and negative impacts, as well as risks and opportunities, including:

- ESG policies (just transition and stakeholder engagement);
- Personal Data Protection Policy.

These cross-functional policies benefit consumers and end-users.

[MDR-P 65a]

- **The premise of the Just Transition Policy** is that the shift to a lower-carbon economy must take place in a way that is fair to all stakeholders. Its application to consumers and end-users covers the two positive impacts identified by the Group – consuming less and consuming better. It is described in Section 3.1.3.1.
- The **Stakeholder Engagement Policy** commits the Group to an open, transparent dialogue for discussing needs, concerns and expectations. It sets out the framework for managing both the regulatory risk arising from government intervention in energy supply prices and the opportunity to develop new offerings.

[MDR-P]	Stakeholder Engagement Policy
Scope of application [MDR-P 65b]	This policy applies to all Group activities.
Management level responsible for implementation [MDR-P 65c]	The Group’s ESG Department.
Relevant third-party standards or initiatives [MDR-P 65d]	• The French law on business growth and transformation (Loi Pacte) • Duty of vigilance
How the policy is made available [MDR-P 65f]	This policy is available to the public on the Group’s website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE - Stakeholder Engagement Policy.pdf

The **Personal Data Protection Policy** commits ENGIE to protecting the personal data and privacy of its employees, customers, partners, service providers, subcontractors and suppliers in the course of its day-to-day activities. It is applied within the operating entities in charge of consumers and end-users, and covers the one negative impact identified.

[MDR-P]	Personal Data Protection Policy
Scope of application [MDR-P 65b]	This policy applies to all Group activities.
Management level responsible for implementation [MDR-P 65c]	The Group Data Privacy Manager and the Data Privacy Manager in each country are responsible for implementing the policy.
Relevant third-party standards or initiatives [MDR-P 65d]	• EU General Data Protection Regulation (GDPR) • National data protection regulations
How the policy is made available [MDR-P 65f]	This policy is public and available on the Group's website: https://www.engie.com/en/group/ethic-and-compliance/data-protection-and-privacy/group-data-privacy-policy

[S4-1 16a, b, c] Compliance with the Group's strategic human rights commitments, including the general approach, interaction with consumers and end-users, and measures to remedy negative impacts, are covered in the section "Procedures to remediate negative impacts and channels for consumers and end-users to raise concerns" below.

[S4-1 17] The alignment of ENGIE's policies with applicable internationally recognized standards is detailed in Section 3.1.3.1. No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises involving consumers and end-users were reported in 2024.

Just transition sub-topic [S4-1, S4-2, S4-4, S4-5]

Process of interaction with consumers and end-users [S4-2]

[S4-2 20a] Interactions relating to the positive impacts of the just transition take place with (i) customers directly, (ii) their legitimate representatives, such as consumer associations and energy ombudsmen, and (iii) the authorities in charge of energy programming and regulatory matters (ministries, regulators, etc.).

[S4-2 20b] The interaction process varies depending on the dialogue partner: with consumers and end-users, it may take the form of daily telephone calls or digital exchanges (customer relations centers, online forms) undertaken at their initiative, monthly satisfaction surveys, marketing surveys and occasional consumer panels to adapt existing offers or test new ones.

With their representatives, exchanges can take place:

- at various stages of the draft law process (e.g., a bill to simplify the implementation of a price cap in the event of an energy price crisis) or, on an occasional basis, to address an issue of topical interest (e.g., the implementation of a European directive), in conjunction with the ministries in charge of energy matters;
- in response to public consultations concerning the retail market (regulated tariffs, distributor rates and services, flexibility, etc.) or the regulatory requirement to disclose various gas and electricity market data, together with regulators;
- on request, to discuss protection measures with consumer associations or during the annual review of dispute resolution, together with energy mediators.

[S4-2 20c] Interactions with consumers and end-users are the responsibility of the operating units in charge of marketing products and services. Relations with ministries and regulators are entrusted to each country's public relations teams, which draw upon the operating teams' expertise and knowledge of local constraints and impacts. Every country has its own organizational structure for handling these relations. In France, for example, they are managed by the Public Affairs Department in conjunction with Executive Management when its input is required, and with the systematic support of the institutional relations teams.

[S4-20 d] These interactions have yielded some very tangible results. In France, for example, ENGIE has co-developed and continues to develop new market standards: the VertVolt green electricity label in partnership with ADEME and a new reference price for the retail gas market in partnership with the French Energy Regulatory Commission (CRE), following the end of regulated tariffs. In Romania, ENGIE is taking part in discussions with the government on the development of a biomethane market, and in November 2024 the Romanian Energy Regulatory Authority (ANRE) granted it the country's first license to supply biomethane.

[S4-2 21] The transition to a carbon-neutral economy could have significant impacts on consumers and end-users, particularly those in precarious situations. ENGIE's portfolio of contracts includes around one million vulnerable customers (the definition of a vulnerable customer varies from county to country depending on local legislation). These customers benefit from national assistance programs (e.g., energy vouchers in France, social tariff in Belgium). ENGIE is also in regular contact with consumer associations, social partners or other organizations in charge of assisting customers in difficulty. These exchanges also foster the development of services adapted to individual needs.

Actions [S4-4]

[S4-4 30] ENGIE is developing a dedicated range of energy offers, services and initiatives to help consumers and end-users manage their energy transition journey:

- green electricity/green gas offers to decarbonize energy use;
- services to better understand and improve energy consumption, including:
  - digital tools (apps) to monitor and control consumption (in France, Ma Conso+, a service for monitoring and analyzing electricity consumption; in Belgium, Smart App and Energy Monitor for monitoring real-time consumption in euros and kilowatt-hours);
  - challenges to reduce energy consumption (Ecodéfis+ in France and the Reduce & Reward program in Australia that allows customers to receive a credit on their bill in exchange for reducing their electricity consumption);
  - a French program that rewards customers who consume better and less (*Mon Programme pour Agir*);
  - innovative offers to optimize costs by consuming electricity when rates are the lowest (Drive App in Belgium; Ma recharge intelligente in France, which enable EV owners to automatically recharge their cars at the most cost-effective time);
  - energy-saving advice and awareness campaigns in each country.

ENGIE also develops specific initiatives for customers in difficulty: awareness of eco-friendly habits, collaboration with social partners, provision of tools for monitoring consumption free of charge, dedicated telephone lines, flexible payment schedules.

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Contribute to a fair and efficient transition by continuing to develop green gas and electricity offers	Action taken in 2024	Contribute to the Group's goal of reducing carbon emissions and achieving carbon neutrality	The development of green offers concerns seven countries (Australia, Belgium, France, Italy, Mexico, the Netherlands, Romania)	Annual (ongoing initiative)
Continue to develop energy management services	Action taken in 2024	Help customers become active participants in their energy transition by managing their consumption	The development of these services concerns seven countries (Australia, Belgium, France, Italy, Mexico, the Netherlands, Romania)	Annual (ongoing initiative)

[MDR-A 69c] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the nature of its activities. It relies notably on internal resources (OPEX) to drive the implementation of the above action plans, which are considered to have an immaterial financial impact.

[S4-4 33a] The Group has set up a risk management system to assess risk exposure and ensure that risk mitigation plans are implemented (see Section 2.1.1 "Overall risk management policies"). Government intervention leading to a possible regulatory cap on energy supply prices has been identified as a risk factor (see Section 2.2.1.1), which the Group seeks to mitigate through dialogue with governments and national regulators. In addition, the Group closely monitors regulatory and legislative developments in its host countries to better anticipate emerging trends and act to reduce any negative impacts on the profitability of its businesses. The Group received no requests to adopt such energy supply measures in 2024, with the exception of Romania, where it was necessary to manage the removal of the cap on energy prices.

[S4-4 33b] In order to seize business growth opportunities, the Group engages directly with stakeholders to allow teams to develop new customized offerings.

[S4-4 35] No serious human rights issues or incidents involving consumers and end-users were reported in 2024.

Resources and governance [S4-4]

[S4-4 37] All employees in charge of supplying energy and services to consumers and end-users constitute the resources allocated to the management of positive material impacts associated with the just transition.

KPIs and targets [S4-5]

Make renewable energy accessible to as many customers as possible through green offerings

Nature and description of target	2030 target [MDR-T 80b, e]	2024 reporting [MDR-T 80d]	Target scope [MDR-T 80c]	Corresponding IROs
Percentage of green electricity contracts in total electricity contracts (average in Europe)*	[90-95%]	89.5%	Consumers and end-users in the following countries: Belgium, France, Italy, the Netherlands and Romania	Enable consumers and end-users to consume better

* *Target set based on the definition of green electricity contracts within the meaning of current European regulations*

[MDR-T 80a] This target meets the objectives of the just transition as described in the corresponding policy. **[MDR–T 80f)]** The Group relies on a centralized reporting system that gathers monitoring data on green electricity contracts supplied by each country. **[41 a, b, c]** The Group did not directly involve consumers and end-users or their legitimate representatives in the process of drawing up targets.

Personal data protection sub-topic [S4-1, S4-2, S4-3, S4-4, S4-5]

Process of interaction with consumers and end-users [S4-2]

[S4-2 20a] As part of the process of interacting with consumers and end-users about the negative impacts associated with personal data protection, ENGIE is required to interact with: (i) customers who are directly impacted and (ii) the external body responsible for ensuring compliance with the regulations in force in each country (e.g., in France, the French National Commission on Information Technology and Liberty (CNIL)).

[S4-2 20b] The interaction process varies depending on the dialogue partner and the situation:

- customers can contact ENGIE to report a data breach incident, either by telephone or via a dedicated mailbox. Conversely, if ENGIE detects an incident that is likely to result in a high risk to the rights and freedoms of customers, the latter are notified by email or post;
- if the breach is severe, ENGIE will report the incident within a specified timeframe (depending on local regulations) to the competent authority, using a notification form devised by the latter.

[S4-2 20c] Oversight of ethics and compliance within the Group is described in Section 3.1.4.1.1. It also applies to the subject of data protection.

[S4-2 20d] Interactions with consumers, end-users and their representatives provide opportunities for identifying process-related levers for improvement (e.g., email validation process); similarly, data breach incidents handled in cooperation with the authorities provide opportunities for discussing possible preventive actions.

[S4-2 21] The views of consumers and end-users are gathered in the same way without distinction.

Processes to remedy negative impacts and channels for consumers and end-users to raise concerns [S4-3]

[S4-3 25a] The Group's Whistleblowing System, its procedures for taking corrective action when negative impacts on people occur, the way it assesses the effectiveness of actions taken and the policies in place to protect people who submit reports against retaliation are all described in Section 3.1.4.1.5. Grievance mechanisms for consumers and end-users are set up in each country in compliance with local regulations issued by regulators and/or ombudsmen.

[S4-3 25b] The operating entities have special channels in place that enable consumers and end-users to report concerns (customer relations telephone numbers, dedicated email addresses that refer directly to the Data Privacy Officers (DPO) or the competent authorities. Users have access to a web portal at the Group level (https://engiegbs.service-now.com/gdpr_portal?id=gdpr_home) where they can report a potential data breach and/or refer the matter directly to the competent authority.

[S4-3 25c] The entities are required to inform stakeholders (business partners, etc.) about the Group's whistleblowing systems and/or the local channels for reporting negative impacts that have been set up for consumers and end-users.

[S4-3 25d] ENGIE monitors the volume of incident reports processed internally (sent directly to ENGIE) and externally (sent to the competent authority).

[S4-3 26] A reminder of the channels is posted on the country websites. The Group's overall policy for protecting users against retaliation is described in Section 3.1.4.1.5 "Whistleblowing and reporting of ethics incidents – Handling ethics incidents".

Actions [S4-4]

[S4-4 30] The Group's risk analysis approach covers data privacy risk (see Section 3.1.4.1.2 "Ethical risk assessment") and, more specifically, personal data breach risk and the risk of non-compliance with the EU General Data Protection Regulation (GDPR) and other local regulations applicable to personal data protection (e.g., Consumer Data Right in Australia and *Ley Federal de Protección de Datos Personales en Posesión de Los Particulares* in Mexico). The specific policy and procedures for ethical risk assessment that the Group established in 2019 are being applied to consumers and end-users.

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Pursue the application of the Group's customer personal data protection policy	Action taken in 2024	Ensure the protection, confidentiality and security of our customers' personal data	Personal data protection covers seven countries (Australia, Belgium, France, Italy, Mexico, the Netherlands and Romania)	Annual (ongoing initiative)

[MDR-A 69c] The Group adjusts the allocation and level of its resources (CAPEX or OPEX) according to the nature of its activities. It relies notably on internal resources (OPEX) to drive the implementation of the above action plans, which are considered to have an immaterial financial impact.

[S4-4 31a] ENGIE uses a range of organizational and technical measures to prevent, mitigate and correct negative impacts:

- in terms of organization, designation of a Data Protection Officer (DPO) at the level of each Group company and a Data Privacy Manager (DPM) within each organization responsible for the implementation and proper application of the Personal Data Protection Policy in their area of activity. At European level, there is a Data Privacy Management System (DPMS) designed to measure the compliance of activities with the policy and regulations. These activities include those relating to the implementation of governance, the deployment of awareness and training sessions, the compliance of processing with legislation and the handling of data breaches;
- performance of an annual data protection risk assessment at the entity level that is then examined at the Group level as part of the annual risk management analysis;
- an internal control procedure to ensure that personal data management complies with privacy rules, including external and internal audits to assess the implementation of policies and define, if necessary, actions for improvement;
- integration of data protection considerations in the upfront planning of projects (privacy by design);
- control over data in subcontractor contracts to ensure that any shared data complies with the same requirements as those developed by ENGIE;
- a rigorous data retention policy;
- education of employees on the ethical and confidential use of personal data via training and information kits; in 2024, for example, all internal and external customer relations employees in France received training with specific cases (data modification, data exposure) to teach them how to identify and handle such incidents;
- implementation of technical measures to protect data (traffic monitoring systems, controls to ensure secure access to customer banking data, multi-level security architecture, two-factor authentication – 2FA to access accounts, regular technical audits and pen tests);
- messages warning customers about scams and instructing them how to respond.

[S4-4 31d] To track the effectiveness of actions taken, an internal control procedure exists for ensuring that personal data management complies with privacy rules, with the implementation of external and internal audits and, if necessary, the definition of actions for improvement.

[S4-4 32a] A procedure for handling data breaches has been developed to help operational teams take necessary and appropriate action in the event of a negative impact on consumers and end-users, in line with legal and transparency requirements.

[S4-4 32b] Steps for handling a data breach: (i) identify, classify and qualify the incident, (ii) notify the appropriate parties (authorities, customers), (iii) contain the incident to prevent further damage and fix and eradicate the incident to allow the return to normal operations. Multi-disciplinary teams (sales, IT, legal, communications, etc.) are then assembled to manage the incident.

[S4-32 c] After a data breach has occurred, a report is drawn up to identify the causes of the incident, evaluate the success of its containment, remedy and eradicate the threat and improve processes to mitigate vulnerabilities.

[S4-4 34] The preventive/corrective actions described above were established by ENGIE to avoid causing or exacerbating negative impacts on consumers and end-users.

Resources and governance

[S4-4 37] Specialized units, under the responsibility of the data privacy managers of the entities, are responsible for processing data and managing breach incidents. They work with teams from many departments (IT, legal, internal control, risk management, etc.).

KPIs and targets [S4-5]

[MDR-T 81a] ENGIE is in the process of drawing up personal data protection targets for consumers and end-users. These measures will be published as and when they are defined. **[MDR-T 81b]** The effectiveness of the implemented actions and policies is measured through internal control, as described in this section under “Actions”.

3.1.4 Information on business conduct [ESRS G1]

3.1.4.1 Ethics and business conduct [ESRS G1]

3.1.4.1.1 Oversight of ethics and compliance within the Group [ESRS-G1 GOV-1]

[ESRS-G1 GOV-1 5a, MDR-P 65c] Drawing on the preparatory work of its Ethics, Environment and Sustainable Development Committee (EESDC – see Section 4.1.2.3), the Board of Directors ensures that the Group has the right level of commitment with regard to ethics, non-financial compliance, and corporate, social and environmental responsibility. The Group Corporate Secretary, assisted by the Chief Legal Officer and Vice-President Group Ethics, reports on the Group's ethics and compliance policy and its implementation.

Members of the Executive Committee, along with the Group's other executives from all levels of the organization, guide and oversee the Group's ethics and compliance policy and ensure that it is properly applied. To this end, they work with the Chief Legal and Ethics Officers, supported by the Ethics & Compliance Officers and Data Privacy Managers of their entities.

The Group's governance of ethics matters also includes the activities of the Group's Compliance Committee, which assesses the handling of ethics incidents and monitors the process for updating the Group's ethics and compliance framework. At Group level, this committee brings together the Corporate Secretary, the Executive Vice-President in charge of Human Resources and of ENGIE HQ and the directors of the following Corporate Departments: Legal, Ethics, Compliance & Privacy, Internal Audit and Internal Control. Operational staff, including Executive Vice-Presidents, are regularly invited to attend the meetings of this Committee. The Group Compliance Committee met five times in 2024.

Lastly, the Group has set up a Group Department dedicated to ethics and compliance. The Ethics, Compliance & Privacy Department (ECPD) reports to the Legal & Ethics Department, itself under the oversight of the Group Corporate Secretary. The ECPD leads the incorporation of ethics into the Group's strategy, management and practices. It proposes ethics and compliance policies and procedures for the Group and supports their implementation at all levels of the Group. It coordinates the implementation of the Group's Vigilance Plan (see Section.3.2) and deals with whistleblower reports arising under the Group procedure which it manages. The ECPD coordinates the network of Ethics & Compliance Officers and ethics correspondents (more than 245 people in 2024) and Data Privacy Managers (130 people in 2024) across the entire Group. Most of them also serve in functional roles (legal, HR, internal control, etc.).

[ESRS-G1 GOV-1 5b] The selection and training processes for members of the Board of Directors are described in Sections 4.1.1.8 and 4.1.1.9.

At company management level, ethics and compliance are regularly on the agenda of the Group Executive Committee. The Group also ensures that its entities' Management Committees include ethics and compliance on their meeting agendas.

ENGIE's Chief Executive Officer, all members of the Executive Committee and all Global Leaders are covered by a dedicated training curriculum specified in the Group's ethics training plan (see Section 3.1.4.1.6).

3.1.4.1.2 Ethical risk assessment [G1-3 18a]

The assessment of ethical risks is included in the Group's risk analysis process (Enterprise Risk Management – ERM) (see Section 2.1). Six ethical risks have been identified: (i) corruption, (ii) human rights violations, (iii) non-compliance with the duty of vigilance, (iv) non-compliance with embargo or export control rules, (v) non-compliance with competition law rules, and (vi) fraud. The Group's risk analysis approach also includes data privacy risk.

The process for assessing corruption risks, human rights violation risks and data privacy risks involves using an analysis approach that is common to all the Group GBU. In 2023, the Group implemented a new methodology for mapping the risks of corruption and influence peddling in line with the recommendations of the French Anti-Corruption Agency. The risk of human rights violations is analyzed using a Group self-diagnostic scorecard. The Group has also issued guidelines on the assessment of the risk of personal data breaches.

The processes used to identify and assess material impacts, risks and opportunities related to the Group's business conduct throughout its value chain are described in Section 3.1.1.4 "Double materiality process".

3.1.4.1.3 Material IROs [IRO-1]

Regarding business ethics, a consolidated analysis at Group head level identified the following material IROs:

- **Negative impact**: economic damage due to significant incidents of non-compliance with anti-corruption laws, competition law and/or embargoes and sanctions.
- **Risk**: damage to corporate image, financial risk and legal risk, due to significant incidents of non-compliance with anti-corruption laws, competition law and/or embargoes and sanctions.

3.1.4.1.4 Ethics culture and policies [G1-1, G1-3]

Ethics culture and reference texts

ENGIE's ethics culture and Ethics Code of Conduct [G1-1 7, 9, G1-3 18a]

ENGIE's Ethics Code of Conduct establishes the framework for the professional conduct of every employee and manager, while stating that ethics is one of the pillars of the One ENGIE common culture that is intended to guide this behavior.

In terms of ethics culture, the ENGIE Group has two clear principles:

- zero tolerance: any and all ethical misconduct must result in disciplinary action;
- speak up/never be left alone: any employee or manager faced with ethical misconduct, whether as a victim or a witness, has a duty to speak up to his or her superiors. If the matter cannot be reported to the individual's line management or to the entity's Ethics & Compliance Officer, a whistleblowing procedure is available at Group level (see below, Section 3.1.4.1.5).

ENGIE's ethics and compliance reference systems and professional codes of conduct [G1-1 7, 9, G1-3 18a]

The Group's ethics and compliance framework is structured around three reference systems, in addition to professional codes of conduct.

The "Integrity" reference system

The "Integrity" reference system is a collection of policies and procedures for preventing fraud, corruption and influence peddling.

As part of the Group's ethical **due diligence** procedures, the stakeholders of investment projects, beneficiaries of corporate sponsorship and patronage, suppliers, business consultants, new people recruited to positions that are the most exposed to the risk of corruption, and BtoB customers are the subject of enhanced preventive action.

The Group's **Gifts, Hospitality and Technical Travel Policy** determines the conditions under which gifts, invitations and technical trips may be accepted or given. It provides a framework for transparency, by requiring notification, declaration or prior authorization depending on the value of the gift, invitation or technical trip.

The Group's **Conflicts of Interests Policy** requires high-risk situations to be reported internally and validated by management with a view to the duty of impartiality and loyalty in decision-making.

The Human Rights Vigilance Policy

The Human Rights Vigilance Policy is presented in Section 3.1.3.1.

The Ethical Compliance reference system

The Ethical Compliance reference system specifies how the Group implements its ethics and compliance framework and measures compliance. It also includes the Group's procedures for complying with rules on embargoes and international sanctions, export controls, and competition law.

ENGIE attaches the utmost importance to complying with **competition law.** All employees, whatever their role or position within the organization, are expected to behave irreproachably with competitors, customers, partners, suppliers, service providers, subcontractors and prospective customers.

The Group's Embargo Policy covers all **international sanctions** and associated **export control** issues. Each employee must ensure, within the framework of the Group's policy and procedures, strict compliance with these regulations, and prevent any transaction that may be in breach of applicable international embargoes or sanctions.

Guidelines for managing **early warning signs** in ethics and compliance matters are also part of the Ethical Compliance reference system. They formalize ENGIE's commitment to preventing and detecting ethics incidents as early as possible through early warning signals known as "early wargning signs".

ENGIE also has a specific compliance system for monitoring its **advocacy** actions and the obligation to report them to the French High Authority for Transparency in Public Life (*Haute Autorité pour la Transparence de la Vie Publique* – HATVP), in accordance with the French Act of December 9, 2016.

The policy for incorporating **ethics into HR processes**, which details the Group's requirements on integrating ethics and compliance into all Human Resources processes, can also be found in the Ethical Compliance reference system.

[G1-1 7, 9] ENGIE's professional codes of conduct

Professional codes of conduct are used to apply ENGIE's ethics commitments to business practices and operations. These codes of conduct include the Code of Conduct in Supplier Relations (see Sections 3.1.4.2 and 3.2.1.5) and the Code of Conduct on Lobbying.

Information common to the Ethics Code of Conduct, reference systems and professional codes of conduct

[MDR-P]	The ethics and compliance framework
Scope of application [MDR-P 65b]	The ethics and compliance framework applies to all Group entities. Group managers at all levels ensure that these principles are properly applied (see Section 3.1.4.1.1). ENGIE's Ethics Code of Conduct is therefore applicable to all Group employees and managers and covers relations with all Group third parties. The same is true for the ethics and compliance policies, procedures and professional codes of conduct: all managers and employees are responsible, at their own level, for the proper application of ENGIE's ethics policies and principles, both within the Group and in their relations with each of its third parties, irrespective of their type. These principles relating to the scope of application of ENGIE's ethics and compliance system are disclosed to all Group employees, managers and third parties in the Group's Ethics Code of Conduct (see Section 3.1.4.1.4).
Management level accountable for implementation [MDR-P 65c]	The Group Corporate Secretary, assisted by the Chief Legal Officer and Vice-President Group Ethics, reports on the Group's ethics and compliance policy and its implementation.
Relevant third-party standards or initiatives [MDR-P 65d]	ENGIE's ethical principles are in line with the highest international standards: • the United Nations Convention against Corruption; • the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; • OECD Guidelines for Multinational Enterprises; • the International Bill of Human Rights; • the conventions of the International Labor Organization (ILO). ENGIE has made various commitments to external stakeholders in the area of anti-corruption: • to the fight against corruption, through the tenth principle of the United Nations Global Compact; • to the French chapter of the NGO Transparency International. The Group's anti-corruption mechanism also incorporates the highest anti-corruption standards issued at the national level, including the UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA) and France's Sapin II Act.
Consideration given to stakeholder expectations while setting the policy [MDR-P 65e]	ENGIE pays careful attention to the expectations of its stakeholders in defining its ethics and compliance system. The Group has identified the stakeholders in its anti-corruption management system and ensures that its policies and procedures, when issued or updated, take their expectations into account. In addition, the Group involves stakeholders in its duty of vigilance (see Section 3.1.3.3.3).
How the policy is made available [MDR-P 65f]	Policies and procedures are shared with the persons concerned by their content through the website (links can be found below), the Ethics & Compliance pages on the Group intranet, training courses and through distribution to the managers and employees who need to know them. • The Ethics Code of Conduct: published in 15 languages at: https://www.engie.com/en/group/ethics-and-compliance/code-ethical-conduct • Integrity reference system: presented in more detail at https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/group-integrity-referential • Ethical compliance reference system: presented in more detail at: https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/ethical-compliance-referential • Professional codes of conduct: published at https://www.engie.com/en/group/ethics-and-compliance/principles-and-commitments

[G1-3 18c] The implementation of this entire system, which seeks to prevent, detect and deal with corruption allegations or incidents is reported to the EESDC, the Board of Directors and Group Executive Committee, as specified in Section 3.1.4.1.1.

3.1.4.1.5 Whistleblowing and reporting of ethics incidents – Handling ethics incidents [G1-1 10a, 10c, 10e, G1-3 18a]

Group Whistleblowing System

The Group policy covering whistleblowers, including the legal requirements of the French law on transparency, anti-corruption and the modernization of the economy, also known as the Sapin II Act, and those of the law on the duty of vigilance, was defined in 2017. It was set up at Group level in July 2018. This policy complies with French Act No. 2022-401 dated March 21, 2022 ("Waserman" Act) which transposes into French law European Directive No. 2019/1937 on the protection of whistleblowers.

[G1-1 10a, 10c, 10e] The Group's Whistleblowing System includes a procedure for collecting alerts via the email address ethics@engie.com and a dedicated telephone number. Both channels are outsourced to an external service provider, which is responsible for receiving the alerts. Since January 2019, these channels have been made available to all of the Group's staff worldwide and to all Group external stakeholders. Alerts may be received in several languages and the service is available 24/7.

All alerts received through this system are handled according to guidelines that guarantee confidentiality and anonymity.

[G1-1 10c] The Group's Whistleblowing System protects all whistleblowers. As confirmed in ENGIE's Ethics Code of Conduct, no whistleblower can be penalized for using the system in good faith.

[G1-1 10c, G1-3 20] This system is described in ENGIE's Ethics Code of Conduct and on the Group's website at https://www.engie.com/en/ethics-and-compliance/whistleblowing-system. It is available for all Group employees, managers and external stakeholders, who can use it to find out more.

[G1-1 10c, G1-3 20] The Whistleblowing System is also presented in a number of Group ethics training courses, including those integrated into the mandatory training curriculum for all Group employees (see Section 3.1.4.1.6).

ENGIE monitors whistleblower reports via the Group's digital tool, My Ethics Incident (see below, "My Ethics Incident tool").

Group managerial reporting system for ethics incidents

All Group entities are required to report any suspicion of ethics incidents as soon as they become aware of it.

[G1-1 10a, 10c, 10e] This system is based on the My Ethics Incident tool (see below, "My Ethics Incident tool").

[G1-3 20] The Group's Ethics Code of Conduct and the Group's ethical compliance web pages remind managers of this obligation.

Group Internal Inquiry System [G1-1 10e]

The Group Internal Inquiry Guide sets out binding guidelines for conducting internal inquiries to investigate alleged breaches, their cause and who should be held accountable for them. It is part of the Group's Whistleblowing System and managerial reporting system mentioned above.

ENGIE is committed to conducting its internal reviews and inquiries in a diligent, independent and objective manner, in line with the Group's Internal Inquiry Guide.

[G1-3 18b] The Internal Inquiry Guide requires verification that individuals chosen to be part of the investigation team have no conflicts of interest. It stipulates that, before setting up the investigation team, the person in charge of the internal inquiry must check that no team member is involved or is likely to be directly or indirectly involved in the allegations, and has no personal ties with the person who reported the incident or with the persons targeted in the report.

The Group's Internal Inquiry Guide is intended for Ethics & Compliance Officers and all persons involved in or in charge of an internal inquiry at ENGIE.

[G1-3 20] The Group's Ethics Code of Conduct and the Group's ethical compliance web pages set out the Group's principles for conducting internal inquiries into ethics incidents.

Consequences and disciplinary action in the event of a proven ethics incident

In line with the Group's ethical principles, all proven ethics incidents are punishable by disciplinary or commercial sanctions. In addition, for each proven incident, entities must assess the measures needed to prevent the incident from recurring and take corrective action where necessary.

[G1-3 20] These principles are enshrined in ENGIE's Ethics Code of Conduct and on the Group's ethical compliance web pages.

My Ethics Incident tool [G1-1 10a, 10c, 10e]

Alerts and managerial reports of ethical failures are monitored via My Ethics Incident, a digital tool for recording ethics incidents that has been rolled out to all the Group's entities.

[G1-1 10c] The Ethics & Compliance Officers of the entities concerned by the reported ethics incident must ensure that ethics incidents relating to their scope are dealt with and must keep the information relating to these incidents up to date in the My Ethics Incident tool. Ethics & Compliance Officers receive training and support tools (webinars, tutorials, etc.) on this subject.

Alerts and reports are classified into eight areas in My Ethics Incident: (i) accounting and financial integrity, (ii) conflicts of interest, (iii) social responsibility and human rights, (iv) business ethics (including corruption, competition, and embargoes), (v) confidential information, (vi) the protection of intangible assets, (vii) personal data (for the reporting and processing of data breaches) and (viii) human resources. In 2024, 335 alerts were input as part of the Group's whistleblowing procedure and 394 managerial reports of ethics incidents were made.

The Group provides more detailed information on the relevant areas of ethics and the sanctions applied on ENGIE's website at: www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/ethical-compliance-referential.

3.1.4.1.6 Training [G1-1 10g, G1-1 10h, G1-3 18a, G1-3 21a]

The Group has implemented a mandatory ethics and compliance training plan for all of its employees. The training plan is tailored to the roles and activities of the employees concerned.

[G1-1 10g, G1-1 10h, G1-3 21a] The Group's mandatory training plan is designed around the Sezame digital tool, which was rolled out Group-wide by the HR Department. This tool is used to monitor the progress at all levels of the digital training provided to Group employees (videos and e-learning).

All Group employees are required to complete a training program comprising training videos on subjects involving significant ethical issues: gifts, invitations, corruption, whistleblowing and conflicts of interest.

In addition to the mandatory program designed for all staff members, the employees who are most exposed to corruption risk are required to complete a training course developed specifically for them.

[G1-3 21b] All functions that are most at risk of corruption are covered by the Group's specific training plan, in addition to the mandatory training for all employees.

[G1-1 10h] In this respect, the Group has identified the following job categories as being most at risk of corruption: Project Management, Business Development, General Management, Finance, Procurement.

The curriculum for the employees most exposed to the risk of corruption is based on the Group's e-learning modules which provide in-depth knowledge of the Group's ethical issues, particularly in relation to fraud, corruption and competition law (at the end of 2024, the completion rate of these e-learning modules was 83.8%).

Lastly, the senior managers (Global Leaders) must also participate in the fraud and corruption prevention seminar (at the end of 2024, 98.4% of Global Leaders had completed the e-learning course, and 87.6% of them had participated in the above seminar). Ethics & Compliance Officers must take the same training program.

The Group's mandatory ethics and compliance training plan requires all employees and managers concerned to repeat each mandatory session every three years.

The Group also provides a number of other mandatory ethics and compliance training courses. For example, face-to-face training courses on competition law have increased significantly since 2023, particularly for Energy Solutions GBU entities, impelled by a new action plan for 2024-2025. Buyers must follow additional courses including in-person training run jointly by the Procurement Department and the ECPD: "Ethics and supplier relations in practice" (see Section 3.2.1.5). Due diligence training in the recruitment process to prevent the risk of corruption was rolled out to the Group's HR functional line in 2022 and has been ongoing ever since. Since the launch of Sezame (see above), this training course has included the ethics and compliance process (ethics due diligence) in the tool and focuses on protecting the candidate data collected.

3.1.4.1.7 Controls and certifications [G1-3 18a]

Implementation of the ethics and compliance policy is monitored based on an annual compliance procedure. Accordingly, the Ethics & Compliance Officers produce an ethics compliance report on the work and progress accomplished by their entity in this area. This report is submitted to the relevant supervising entity. It is accompanied by a compliance letter from the manager certifying their commitment to applying the ethics and compliance program within the organization for which they are responsible.

The compliance procedure is part of a broader control procedure. This is based in particular on the annual internal control campaigns which assess the level of implementation of ethics and compliance policies. It is also based on policy controls that are built into the internal audit campaigns.

The Group is also engaged in external audits of its ethics and compliance framework. For example, ENGIE obtained anti-corruption certification from Mazars and ADIT in 2015, and ISO 37001 certification from accredited certification bodies ETHIC'Intelligence (now Speeki Europe) in 2018 (renewed in 2019 and 2020) and EuroCompliance in 2021 (renewed in 2022 and 2023) and in 2024. All of these audits are carried out at Group level and in several operating entities that are representative of the Group's activities.

[G1-3 20, MDR-P 65f] The Group's web pages on ethics and compliance present the control system described above in greater detail: https://www.engie.com/en/ethics-and-compliance/control-system-ethics.

3.1.4.1.8 Dedicated actions and resources [G1-4]

The system described above is designed to prevent and deal with any ethics incidents, including all incidents involving corruption, violations of competition law and/or international embargoes or sanctions, regardless of significance.

In line with the principles described above, the Group's system ensures that all proven incidents result in appropriate disciplinary or commercial action as well as an assessment of the measures needed to prevent the incident from recurring and an obligation to take corrective action where necessary (see Section 3.1.4.1.5 "Consequences and disciplinary action in the event of a proven ethics incident").

3.1.4.1.9 KPIs and targets [G1-4]

[G1-4 24a] In 2024, the Group did not face any convictions or fines for any significant violations of anti-corruption laws.

[G1-4 24b] In 2024, the Group did not face any significant violations of its procedures or the anti-corruption standards to which it adheres.

3.1.4.2 Sustainable procurement (ESRS G1)

3.1.4.2.1 Developing responsible procurement

Material IROs

Regarding responsible procurement, consolidated analysis at Group head level identified the following material IROs:

- **Negative impact**: deterioration in the environmental and social qualities of alternative energy sources purchased in a context of market instability and resource scarcity.
- **Positive impact**: contribution to the dissemination of the Group's ethical and sustainable practices by involving suppliers and partners in the Group's sustainable development approach (e.g., selection of suppliers on the basis of CSR criteria, ESS suppliers or adapted companies, etc.).
- **Risk**: reduced competitive advantage if competitors do not set the same standards in terms of ethical and sustainable practices.

Non-energy procurement

Strategy, policy and processes [G1-2]

ENGIE has developed a proactive strategy to strengthen supply chain resilience in a changing geopolitical and regulatory environment. Against the backdrop of international geopolitical tensions, the Group faces logistical delays, price pressures, embargoed countries and trade barriers (e.g., the Inflation Reduction Act) and must also comply with applicable Human Rights regulations (e.g., the Uyghur Forced Labor Prevention Act).

[G1-2 15a] The sustainability of purchases, and more generally of the Group's entire supply chain, involves developing ethical and responsible practices, all while ensuring that the Group's activities remain competitive. This essential undertaking is based on three pillars:

- the impact of procurement on carbon emissions and climate: procurement has a key role in achieving the Group's decarbonization commitments (2045 Net Zero Carbon objective, well-below 2°C by 2030 pathway, etc.);
- the impact of procurement on nature (water, biodiversity, pollutants, waste, etc.) is a subject of increasing and significant importance;
- the human impact of procurement (inclusive procurement, impact on communities, human rights of the supply chain, worker health, etc.).

[MDR-P 65a] In order to achieve this ambition, the Procurement function has structured its management system around three key documents:

- **the Procurement Charter**, which defines ENGIE's commitments and requirements with regard to human rights, and includes ESG criteria for the selection of suppliers;
- **a Procurement Governance** document that sets out the 12 rules defining the principles for managing external expenditure and organizing procurement;
- **the Ethics Code of Conduct**, which commits all employees to act with integrity, transparency and responsibility, to reject all forms of corruption and to respect human rights, the law and the environment.

[MDR-P]	Procurement policy
Scope of application [MDR-P 65b]	The principles apply to the entire supply chain and all employees concerned within the Group.
Accountable for implementation [MDR-P 65c]	The Procurement Department is responsible for implementing the policy, under the responsibility of the Group Chief Procurement Officer.
Relevant third-party standards or initiatives [MDR-P 65d]	The documents that form the Procurement policy are aligned with: • the United Nations Convention against Corruption; • the US Foreign Corrupt Practices Act (FCPA); • the UK Bribery Act; • the French Sapin II Act; • ILO and OECD anti-bribery conventions; • other human rights regulations, such as the Uyghur Forced Labor Prevention Act.
How the policy is made available [MDR-P 65f]	• **Code of Conduct and Procurement Charter**: available to all suppliers and external partners on the Group's website (https://www.engie.com/en/group/suppliers/requirements-and-commitments) • **Procurement Governance**: available to employees on the Group intranet

[G1-2 15b] All Procurement operational processes have ESG components:

- "Manage the supplier panel":
  - The Group's Key Suppliers (Strategic, Preferred, Major) must achieve a minimum EcoVadis rating of 45/100.
  - Failing this, a corrective action plan must be drawn up and monitored for the duration of the contractual relationship.
- "Source to contract":
  - Tender specifications and evaluation grids must include ESG criteria relevant to the product or service covered in the tender. Depending on the category, focus will be on Environmental or Social criteria. All categories are aligned with Governance criteria.
  - In addition, all contracts include an "Ethics and Sustainable Development" clause requiring suppliers to respect ENGIE's ethics and sustainability commitments and cooperate in implementing the measures set out in the Vigilance Plan. Under this clause, ENGIE can force the supplier to undergo an ESG assessment by a third party within six months of signing the contract.
- "Manage the purchase categories":
  - Implementing strategic annual management strategies which in particular contain the ESG levers to be activated in line with the specific features and requirements of each procurement category.

The proper implementation of procurement processes is verified through internal control and internal audit processes.

ENGIE's panel of suppliers is segmented based on a differentiated management approach.

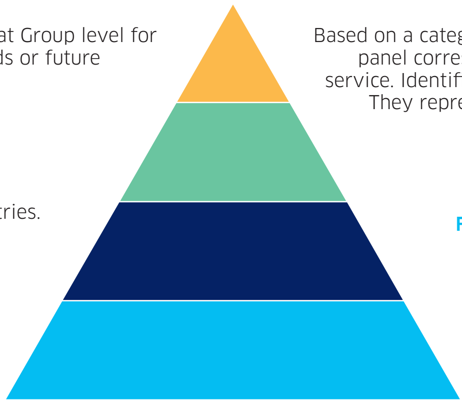
SUPPLIER CLASSIFICATION

1. Strategic suppliers
FOCUS ON VALUE AND JOINT GROWTH

Preferred suppliers identified as strategic at Group level for a GBU/Department in view of current needs or future growth. List approved by the Group CPO.

2. Preferred suppliers
FOCUS ON VALUE AND PERFORMANCE

Based on a category strategy, these suppliers form a Group panel corresponding to a certain type of equipment or service. Identified and managed by the category manager. They represent a significant portion of the category's recurring expenses or are covered by a Group category policy/contract.



3. Major suppliers
FOCUS ON DELIVERY AND PERFORMANCE

Identified and managed by hubs and countries. These are significant suppliers in one or more geographies:
- Supplier representing a significant portion of recurring expenses in a given geography; and/or
- Key suppliers for the Group's activity in a specific geography; and/or
- Potential preferred suppliers.

4. Transactional suppliers
FOCUS ON EFFICIENCY AND PERFORMANCE

Managed at entity level, these suppliers have limited and localized expenses. Alternative supply sources are available and changeover costs are low. Profile: high number of average or low-value order forms.

The information in this diagram is taken from the Source to Contract (S2C) procurement process.

[G1-2 15b] All suppliers are assessed based on their ESG performance during the selection process and throughout the contractual relationship:

- **Weighting of supplier assessment criteria in calls for tender**: In calls for tender for the largest contracts, ESG performance can account for around 15% of the supplier assessment.
- **Key suppliers must be assessed by the Group's ESG partner, EcoVadis, based on four themes**: environment, ethics, labor and human rights, and sustainable procurement. These suppliers must achieve a rating above 45/100, which corresponds to the level of ESG risk management. If the rating is lower, the supplier must implement a corrective action plan, which is managed directly from the partner's digital platform by the buyers, contract managers and suppliers.

In addition, ENGIE has set a goal to reduce the carbon footprint of its suppliers by having all its top 250 preferred suppliers certified and/or aligned with SBTi objectives by 2030.

Dedicated actions and resources

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Implementation of a Compliance Policy within the Procurement Department	Action taken in 2024	The Compliance Policy aims to significantly reduce the risk of non-compliance, improve transparency and traceability of transactions, and build stakeholder trust. In addition, this policy helps optimize costs by avoiding penalties and disputes, while enhancing the Company's reputation as an ethical and responsible player in the marketplace.	• Due diligence carried out by the entity's Category Manager/CPO before contracting takes place • Additional EcoVadis assessment of human rights, environmental and ethical issues • Written commitment from the supplier to respect the principles proclaimed by the Modern Slavery Act, which aims to combat modern slavery and human trafficking • Contractual clauses strengthened by the Ethics Clause	Annual
Rollout of an Inclusive Procurement Policy in France	Action taken in 2024	Since 2022, the Group has sought to develop inclusive, solidarity-based procurement strategies, tailoring its approach in each country according to local contexts and regulations. In France, special emphasis has been given to using suppliers from the disability and socio-professional integration work sectors. The Inclusive Procurement Policy in France aims to increase the Group's spending with suppliers from the disability and socio-professional integration work sectors and encourage the use of independent SMEs or companies located in priority urban neighborhoods or rural revitalization areas. The policy approach is designed to encourage other Group regions to launch similar initiatives.	Implementation of a policy in France to define sectors of action (disability and socio-professional integration work sectors, priority urban neighborhoods, rural revitalization areas), Group objectives and the coordination of actions	Annual
Deployment of the carbon footprint reduction program for the entire supply chain	Action taken in 2024	A procurement decarbonization policy significantly reduces greenhouse gas emissions from procurement processes, improves energy efficiency and encourages suppliers to adopt more sustainable practices.	To make the transition fair and equitable, all Group buyers are trained, management scorecards include incentives to take carbon performance into account, the maturity of key suppliers is analyzed, in-depth dialogue is engaged with the most advanced suppliers, and special support is provided for some French SMEs.	Annual

Targets

Targets	Metric [MDR-M 75]	2024 results	2025 target	2030 target	Methodology [MDR-M 77a]	External verification [MDR-M 77b]
Decarbonization of the main Suppliers	Top 250 Preferred Suppliers aligned with or certified SBTi	44%	25%	100%	Suppliers must be certified or have obtained “Committed SBTi” status within the last two years and be included on the CDP’s “Climate A List”.	SBTi CDP
Developing responsible procurement	Ratio of 100 on responsible procurement (excluding energy)	59	70	100	ESG assessment and inclusive procurement	EcoVadis

Energy procurement [G1-2 15a, 15b]

ENGIE plays a key role in safeguarding energy supply in the regions where it operates. To this end, the Group needs to diversify its supply sources so that it can maintain a resilient supply chain, especially when political instability and/or resource scarcity affects energy markets. In December 2021, tensions on these markets emphasized the relevance of this strategy of diversifying supply sources. The diversification strategy is built around a portfolio of long-term contracts, as it is the Group’s duty to ensure security of supply for its customers and activities.

Changes in resources can shift potential ESG risks, and mitigation measures must be taken as a result. The ESG impact is a key factor in deciding whether to enter into a specific deal. Long-term contracts make it possible to strengthen relationships, implement ESG initiatives and monitor them over the long term.

Policies and processes [G1-2 15a, 15b]

The policies and processes for managing the social and environmental risks associated with ENGIE’s energy supply activities and the implementation of the aforementioned policies and processes are described in Section 3.1.3.4 “Workers in the value chain (energy)”.

ESG strategy on natural gas supply

In addition to the general ESG approach, GEMS has developed a dedicated worldwide strategy for the sourcing of (US) shale gas for which there is a need to take into account its environmental and social impact. The public and confidential information available on counterparty performance is a key factor in deciding whether to enter into a specific deal. The Group chooses producers who are able to offer the best guarantees in terms of traceability of emissions and environmental monitoring of their activity, which is preferably audited by independent third parties. Establishing long-term contracts with suppliers helps the Group to strengthen its relationships on the basis of long-term monitoring and the implementation of ESG initiatives.

Coal exit strategy

In line with the ENGIE Group’s policy to exit coal-fired power operations in Europe by 2025 and worldwide by 2027, ENGIE has stopped energy management activities that support the coal supply chain.

Dedicated actions and resources [G1-2 15a, 15b]

Actions and resources to promote a sustainable energy supply are described in Section 3.1.3.4 “Workers in the value chain (energy)”.

RECOSI

To support its sustainable energy procurement strategy, ENGIE has become a member of the Responsible Commodities Sourcing Initiative (RECOSI). RECOSI is a membership organization that guides and supports its members in their due diligence monitoring of supply chains and helps producers in improving their ESG performance. ENGIE will participate in the RECOSI Gas Programme and, together with other members, pledges to meet high standards of ESG performance in the natural gas supply chain.

ENGIE Energia Chile is participating in RECOSI’s Bettercoal Programme to demonstrate the Group's commitment to promoting sustainability and responsibility within the coal supply chain as long as coal must be sourced.

KPIs and data

ENGIE is in the process of defining metrics to measure the deterioration in the environmental and social quality of alternative supply chain sources from which it has made purchases due to market instability and resource scarcity. These measures will be disclosed as they are defined.

3.1.4.2.2 Ensuring sustainable payment practices [G1-2, G1-6]

Material IROs

In terms of sustainable payment practices, the material IRO selected is:

- **Positive impact**: contributing to the solvency of our suppliers through our payment practices.

Strategy, policy and processes [G1-2]

[G1-2 14] In accordance with ESRS G-1, the Group is currently improving its process for collecting and securing the reliability of data used to determine metrics for payment terms.

In addition, the Group’s payment policy for supplier invoices is to apply regulatory payment terms (which differ from country to country).

The Group pays particular attention to the situation of SMEs, which are more exposed to cash flow risks. In the survey conducted in 2023 by the French organization SME Pact on the payment practices of major accounts with French SMEs, ENGIE was cited as one of the most virtuous companies in this area.

[MDR-P 62]. ENGIE’s Procurement Charter highlights its commitment to comply with its suppliers’ payment terms in accordance with the laws and regulations in force in all the countries where the Group operates. The contents of the Charter are described in Section 3.1.3.3 "Workers in the value chain (excluding energy)".

For further information on payment terms, see Section 6.1.1.5 "Parent company financial statements".

Dedicated actions and resources

To ensure compliance with sustainable payment practices, ENGIE has rolled out a range of concrete actions such as digitized billing processes, which enables faster and more transparent payment processing.

In addition, ENGIE has set up a rigorous system to monitor payment terms to ensure that sustainable payment targets are met. Finance teams work closely with procurement departments to make sure that supplier commitments are met and quickly identify any anomalies in the payment process.

KPIs and targets [G1-6]

[MDR-T 81a] ENGIE does not currently have the consolidated metrics necessary to meet ESRS requirements. The Group is studying the operational procedures needed to collect the information required to publish these metrics.

3.1.4.3 Cybersecurity, security and industrial safety [specific information]

3.1.4.3.1 Cybersecurity

The double materiality assessment identified the following IROs relating to cybersecurity:

- Negative impact: major industrial and/or nuclear accidents, including incidents related to **cyber attacks**, affecting people, property and the environment.
- Positive impact: continuity of essential services for users thanks to secure and **cyber-protected** installations and sites.
- Risk: damage to the Group's reputation in the event of an industrial and/or nuclear accident, or a data or security breach resulting from a **cyber attack**.

Cybersecurity policy

The use of modern technology (cloud, artificial intelligence, connected objects, digital platforms, etc.) and new user practices (mobility, teleworking, etc.) amid the digitalization of business activities (time-based management of production assets, supervision of infrastructure, etc.) and administrative processes are impacting the Group's exposure to cybersecurity risk. In the event of a cyber attack, this could lead to risks of service interruption or loss of productivity, as well as human and environmental impacts.

As the Group's cybersecurity performance contributes to its operational performance, the Group is organized so that every customer, employee and service provider can operate in a climate of digital trust and protect themselves against potential cybersecurity risks.

To address this risk, ENGIE has implemented a set of cybersecurity processes and standards, which together form the Group's cybersecurity policy. This policy – signed by the Chief Executive Officer and the Executive Vice-President in charge of Data, Digital and IT – applies to the entire Group and its entities for all Information Technology (IT) and Operational Technology (OT), as well as to all stakeholders (customers, employees, suppliers, service providers, etc.) that interact with these technologies. Implemented by the Group's Chief Information Security Officer (CISO), this policy defines:

- fourteen cybersecurity principles that everyone should be aware of, covering cybersecurity governance, mobilization of human and financial resources, awareness, risk and third-party management, infrastructure and asset protection, maintenance of security conditions, logical access control, security in projects and software development, industrial asset protection, business resilience, audit and control, and regulatory compliance;
- the functional line, its structure and its governance;
- the key documentation (topical policies, standards, guidelines) and key processes (incident management, crisis management, dertions, compliance and audit).

Action plan

List of actions for implementing policies:

Description of action [MDR-A 68a]	Type of action [MDR-A 68a]	Expected results [MDR-A 68a]	Scope of application [MDR-A 68b]	Time horizon [MDR-A 68c]
Implementation of an annual Group-wide cybersecurity program	Ongoing action	• Operational monitoring of IT, industrial infrastructure and digital solutions • Implementation and maintenance of mandatory Group cybersecurity solutions across the IT, industrial and digital scopes • Constant monitoring and adaptation of cybersecurity systems and solutions to threats • Assessment of the compliance of industrial sites and entities with Group requirements and applicable regulations	The Group and its entities	Annual program

The Cybersecurity program is rolled out on an annual basis, allowing ENGIE's protection and monitoring systems to be adjusted based on changes in threats, the internal situation (organization, M&A, etc.) and the regulatory environment.

The program is implemented on a global scale, based on the organization of cybersecurity for each of the Group's business lines and geographic areas.

Given the sensitive nature of this information, the more operational aspects of cybersecurity incident management cannot be disclosed.

Overall cybersecurity risk management is described in Section 2.2.5.2.

Metrics

As it is a priority for ENGIE, cybersecurity is frequently monitored and reported at various levels of management. Metrics and highlights/incidents are reviewed weekly by the Chief Information Officers (CIO) of the Digital & IT functional line and the Group's CISO, and monthly by the Executive Committee.

For example, one of the main metrics is the Bitsight rating, which monitors the ENGIE Group's "external attack surface". As a cybersecurity rating agency, Bitsight provides an independent review of an organization's exposure.

At December 31, 2024, the ENGIE Group's Bitsight rating was 780, placing it in the "Advanced" category, which is in line with the Group's target.

3.1.4.3.2 Security of people, sites and information

Impacts, risks and opportunities

The Group's international presence can expose a number of its employees and subcontractors to health and security risks. In addition, the Group's industrial and service sites and installations, which form part of its physical assets, may also be exposed to malicious acts that could impact personal security. Lastly, information is included as one of the Group's intangible assets, in digital or physical form, or transmitted orally, may also be exposed to malicious acts that could result in a loss of value for the Group or affect its reputation.

The Group's performance on security matters contributes to its operational performance, by making it possible for every employee and service provider to work in a climate of trust on the sites and in the geographic regions where the Group operates, and by protecting the Group from leaks of sensitive information that could affect its competitiveness or reputation.

Information protection and security policies

The Group implements a policy to protect people and tangible and intangible assets. In 2024, it was supplemented with a specific policy on protecting information.

In addition, the Group publishes security rules applicable to staff on international assignments (expatriates and business travelers), as well as site protection standards.

Processes

Security risks are managed through a security management system, that is to say, a comprehensive process designed to identify risks and address them by implementing appropriate action plans that take into account feedback, with a view to continuous improvement.

Security is an integral part of the Group's Enterprise Risk Management (ERM) process and an integral part of the internal control program (INCOME/COR8b).

The Security and Business Intelligence Department is responsible for governance of the Security function and coordinates the Group's Chief Security Officers (CSOs) and Country Security Managers (CSMs), who are responsible for adapting and implementing security policies throughout the Group.

The Security Department also performs a second-level control function. External security audits are also carried out at certain installations.

Action plan

The Group's operating areas are classified according to specific prevention and protection measures, which are adapted to the risks involved. To carry out this purpose, the Group enlists the services of the relevant authorities (police, justice, etc.) as well as specialized service providers.

By way of illustration, the following solutions are rolled out:

- tools for training, informing, monitoring and assisting employees;
- a warning, analysis and prevention system that is continuously updated by specialized, recognized service providers;
- an incident reporting tool (MySecurityIncident) for reporting incidents to the Security Department, which are systematically dealt with. The Group coordinates with service providers (International SOS, Seerist, etc.) to manage health & safety risks.

As regards tangible assets, sites are subject to protective measures tailored to the local situation and revised according to the threat status. The Group has introduced a system to catalog incidents and gather feedback to improve risk assessment and prevention in order to limit the impact of any malicious acts. Their analysis makes it possible to implement the necessary strategic and operational prevention and mitigation measures.

To anticipate threats to material assets, the Group provides the following services on behalf of its entities and countries:

- monitoring threats to Group installations. The information collected is sent to the security manager of the entities concerned, who is responsible for taking urgent and long-term precautionary measures to protect the installations concerned;
- monitoring "country risks" to anticipate the threat and adjust protection measures;
- disseminating standards on protection measures for certain types of installations.

The Group adjusts the allocation and level of its resources depending on the nature of the activities and the specific needs of the region, country and/or entity. In particular, it draws on internal resources (OPEX) to implement the above-mentioned action plans, the purchase or rental of security equipment and materials, and external costs to secure its sites and networks, depending on the nature of the activities or associated risks. As previously indicated, these costs are defined and adapted locally, but at Group level they are considered to have a non-significant impact.

In terms of information protection, the Group is continuously adapting to meet the following objectives:

- raise employee awareness. An e-learning course on information protection, integrated into the "license to operate", was launched online on the Group intranet in 2024, and special awareness sessions were organized in the entities;
- deal with any identified incidents;
- prevent any internal or external action aimed at capturing and fraudulently using sensitive data.

3.1.4.3.3 Industrial safety

The Group's activities could lead to major industrial and/or nuclear accidents, including those caused by or linked to cyber attacks, affecting people, property and the environment.

The Group's operational excellence in operating industrial assets on its own behalf or on behalf of customers ensures the prevention of harm to people and property as well as the continuity of essential services for end-users, thanks to a high level of operation and maintenance of industrial installations, site security and industrial cybersecurity.

Regarding industrial safety, it is important to distinguish between (i) the safety of industrial assets excluding nuclear power plants and (ii) the safety of nuclear power plants, which is known as "nuclear safety".

Industrial safety excluding nuclear safety

Industrial safety policies

The industrial safety of the installations that the Group operates is one of its major concerns. The handling of these risks is subject to in-depth monitoring and specific targeted investments, and audits of the installations in question are performed regularly.

The Group's various subsidiaries and entities that operate industrial assets have defined and implemented specific industrial safety policies tailored to their activities. The Chief Executive Officer of the subsidiary or entity is responsible for implementing the industrial safety policy.

Action plans

The Group carries out its industrial activities in compliance with a framework of safety regulations, including the "Seveso III" European Directive.

These industrial safety risks are controlled by implementing safety management systems based on the principle of continuous improvement. These systems aim to reduce the level of residual risk by responding to the highest risks as a priority.

Action plans are defined and implemented by the subsidiaries and entities that operate industrial assets and integrate feedback as part of a continuous improvement approach.

Moreover, industrial safety is specifically incorporated into the Group's audit and internal control programs (INCOME).

ENGIE hires external experts to audit its major industrial assets.

Regular audits are carried out by the competent local authorities.

The protection of industrial control systems is included in the Group's IT system security policy roll out.

Metrics: number of major events

The subsidiaries that operate industrial assets monitor incidents and accidents related to industrial safety.

The metric used at the Group level is the number of major events that occur during the year.

On October 10, 2024, in the town of Madero, Mexico, an accumulation of gas linked to a leak in a natural gas distribution network operated by the Group caused a gas explosion at a street food stand. Three people in the food stand were injured, suffering first- and third-degree burns. One of these people died from a resulting infection that could not be controlled. Several external expert reports were commissioned to determine the causes of the accident. The Group has also set up a team of in-house experts tasked with drawing all possible lessons from the explosion.

Nuclear safety

Nuclear safety and radiation protection policy

Electrabel, the only Group entity that operates nuclear power plants, implements a nuclear safety and radiation protection policy designed to protect the public, site workers and the environment. The Board of Directors of Electrabel S.A. monitors the implementation of this policy.

The policy is based on three pillars:

- **risk management**, including proactive monitoring of the development of new nuclear safety laws and directives and meticulous compliance with them;
- **continuous improvement** by continually assessing nuclear safety performance, referring to national and international standards, defining improvement plans, perpetually learning from internal and external feedback, and actively involving all employees in the continuous improvement process;
- **ongoing measurement of the effectiveness of the nuclear safety policy** through independent internal and external audits that lead to the implementation of improvement measures based on the recommendations made, and through ongoing dialogue with security authorities and all other stakeholders.

Action plans

Electrabel has implemented an internal and industrial control system in accordance with the extremely high standards of the profession, such as the safety standards of the International Atomic Energy Agency (IAEA), which operates on several levels:

- the Safety Report (in the form of a Royal Decree under Belgian law) establishes the control mechanisms for the design, operating procedures, and defines the dedicated organization and human resources;
- safety principles are integrated into the operational management of the power plants;
- compliance with these principles is subject to managerial supervision and independent controls by the operational organizations, carried out by the nuclear safety department ("Health Physics Department" under Belgian law), which reports directly to the Chief Executive Officer Electrabel S.A.;
- the Health Physics Department can rely on numerous, documented and quantified control points, as well as audits.

All individuals working at nuclear power plants have the appropriate qualifications and are aware of their personal responsibility with regard to nuclear safety. During operations, compliance with safety and security rules and conditions at the installations are subject to internal inspection by the Health Physics Department and the Belgian Federal Agency for Nuclear Control (FANC), assisted by Bel-V, its technical support subsidiary. In addition, Electrabel takes into account the feedback and periodic external peer reviews of the World Association of Nuclear Operators (WANO). The terrorist risk is addressed with the competent authorities of the Belgian State. The two nuclear sites have OHSAS 18001, ISO 45001, ISO 14001 and EMAS certification.

Metrics

Since the commissioning of the first reactor in 1974, the Doel and Tihange sites in Belgium have not experienced any major nuclear safety incidents that could have resulted in danger to employees, subcontractors, the general population or the environment.

Electrabel monitors significant incidents (level three and higher on the International Nuclear Event Scale – INES) around the world. In 2024, there were no significant incidents at the Doel or Tihange power plants.

3.1.5 Appendices

3.1.5.1 Information incorporated by reference [ESRS 2 BP-2 16]

ESRS	Disclosure requirement	Datapoint	Reference
ESRS 2	**GOV-1** – The role of administrative, management and supervisory bodies	20; 21a, b, c, d, e	Section 4.1.1
			Sections 4.1.2.2 to 4.1.2.4
			Section 4.1.1.7
			Section 4.1.3
		20c, 23a	Section 4.1.1.7/ Sections 4.1.1.9 and 4.1.2.3
ESRS 2	**GOV-3** – Integration of sustainability-related performance in incentive schemes	GOV-3 29a, e	Sections 4.2.1.2 (2024 variable compensation) and 4.2.3.2
ESRS 2	**GOV-2** – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	GOV-2 24, 25, 26a, b, c	Section 4.1.2.4 (The Ethics, Environment, and Sustainable Development Committee)
ESRS 2	**SBM-3** – Material impacts, risks and opportunities and their interaction with strategy and business model	48d	Note 1.3.3 of Section 6.2.2 "Notes to the consolidated financial statements"
ESRS E1	**SBM-3** – Material impacts, risks and opportunities and their interaction with strategy and business model	19c	Sections 2.2.2 and 2.2.3
ESRS E5	**E5-2** – Actions and resources related to resource use and circular economy	MDR-A 69b, 69c	Note 17.2.3 of Section 6.2.2 "Notes to the consolidated financial statements"
ESRS G1	**G1-6** – Management of relationships with suppliers	MDR-P 62	Section 6.1.1.5

3.1.5.2 Disclosure requirements in ESRS covered by the Sustainability Statement [ESRS 2 IRO-2]

[IRO-2 59] After determining material impacts, risks and opportunities, the Group assessed the materiality and relevance of each disclosure requirement, then each datapoint.

ESRS	Disclosure requirement	Reference
ESRS 2	**BP-1** – **BP-2** – Basis for preparation	Section 3.1.1.1
ESRS 2	**GOV-1** – **GOV-5** – Governance	Sections 3.1.1.3 and 3.1.1.5
ESRS 2	**SBM-1** – **SBM-3** – Strategy	Section 3.1.1.2 and Section 3.1.1.4.2
ESRS 2	**IRO-1** – **IRO-2** – Management of impacts, risks and opportunities	Sections 3.1.1.4 and 3.1.5
ESRS 2	**MDR-P/A/M/T** – Minimum disclosure requirements for policies, actions, metrics and targets	Each topical ESRS
ESRS E1	**ESRS 2 SBM-3** – Material impacts, risks and opportunities and their interaction with strategy and business model	Section 3.1.2.1.1
ESRS E1	**ESRS 2 IRO-1** – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Section 3.1.2.1.1
ESRS E1	**ESRS 2 GOV-3** – Integration of sustainability-related performance in incentive schemes	Section 3.1.2.1.2
ESRS E1	**E1-1** – **E1-8**	Sections 3.1.2.1.2 to 3.1.2.1.4 and 3.1.2.1.6
ESRS E1	**E1-9** – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Transitional provision
ESRS E2	**ESRS 2 IRO-1** – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Section 3.1.2.2.2

ESRS	Disclosure requirement	Reference
ESRS E2	**E2-1 – E2-4**	Section 3.1.2.2.2
ESRS E2	**E2-4 28a**: Release into water and soil by pollutant listed in Annex II of Regulation (EC) No. 166/2006 of the European Parliament and of the Council	Not available(1)
ESRS E2	**E2-5** – Substances of concern and substances of very high concern	Not material
ESRS E2	**E2-6** – Anticipated financial effects from pollution-related impacts, risks and opportunities	Transitional provision
ESRS E3	**ESRS 2 IRO-1** – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Section 3.1.2.2.3
ESRS E3	**E3-1** – **E3-4**	Section 3.1.2.2.3
ESRS E3	**E3-5** – Anticipated financial effects from water and marine resources-related impacts, risks, and opportunities	Transitional provision
ESRS E4	**ESRS 2 SBM-3** – Material impacts, risks and opportunities and their interaction with strategy and business model	Section 3.1.2.2.4
ESRS E4	**ESRS 2 IRO-1** – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Section 3.1.2.2.4
ESRS E4	**E4-1** – **E4-5**	Section 3.1.2.2.4
ESRS E4	**E4-3** – Financing effects (direct and indirect costs) of biodiversity offsets in monetary terms	Not available(1)
ESRS E4	**E4-6** – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Transitional provision
ESRS E5	**ESRS 2 IRO-1** – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Section 3.1.2.2.5
ESRS E5	**E5-1** – **E5-4**	Section 3.1.2.2.5
ESRS E5	**E5-5** – Resource outflows	Section 3.1.2.2.5
ESRS E5	**E5-6** – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Transitional provision
ESRS S1	**ESRS-2 SBM-2** – **SBM-3** – Strategy	Section 3.1.3.2.1
ESRS S1	**S1-1** – **S1-17**	Sections 3.1.3.1 and 3.1.3.2.1 to 3.1.3.2.6
ESRS S1	**S1-9 66b** – Distribution of employees by age group	Partially available(1)
ESRS S1	**S1-16** – Gender pay gap and annual total remuneration ratio (ATRR) not calculated on the basis of total compensation (i.e., including deferred compensation and pensions) to align numerators and denominators	Partially available(1)
ESRS S1	**S1-17 103c** – Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above [for discrimination including harassment], and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements	Not available(1)
ESRS S1	**S1-17 104b** – Total amount of fines, penalties, and compensation for damages as a result of the cases described in point a) above [serious human rights incidents] and a reconciliation between the amounts so declared and the most relevant amount presented in the financial statements	Not available(1)
ESRS S2	**ESRS-2 SBM-2** – **SBM-3** – Strategy	Section 3.1.3.3
ESRS S2	**S2-1** – **S2-5**	Sections 3.1.3.1/3.1.3.3/3.1.3.4
ESRS S3	**ESRS-2 SBM-2** – **SBM-3** – Strategy	Section 3.1.3.5
ESRS S3	**S3-1** – **S3-5**	Sections 3.1.3.1/3.1.3.5
ESRS S4	**ESRS-2 SBM-2** – **SBM-3** – Strategy	Section 3.1.3.6
ESRS S4	**S4-1** – **S4-5**	Section 3.1.3.6
ESRS G1	**ESRS 2 GOV-1** – The role of administrative, management and supervisory bodies	Section 3.1.4.1.1
ESRS G1	**ESRS 2 IRO-1** – Description of the processes to identify and assess material impacts, risks and opportunities	Section 3.1.4.1.3
ESRS G1	**G1-1– G1-4, G1-6**	Sections 3.1.4.1.4 to 3.1.4.1.7
ESRS G1	**G1-6 33a, b, c, d** – Supplier payment terms	Not available(1)
ESRS G1	**G1-5** – Political influence and lobbying activities	Not material

(1) Quantitative metrics or monetary amounts not available or partially available for which improvement measures will be implemented for future publications.

3.1.5.3 List of datapoints in cross-cutting and topical standards that derive from other EU legislation [ESRS 2 IRO-2]

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section[1]
ESRS 2 GOV-1	21d	Gender diversity in governance bodies	•		•		Sustainability Statement
ESRS 2 GOV-1	21e	Percentage of board members who are independent			•		Sustainability Statement
ESRS 2 GOV-4	30	Statement on due diligence	•				Sustainability Statement
ESRS 2 SBM-1	40d i	Involvement in activities related to fossil fuel activities	•	•	•		Sustainability Statement
ESRS 2 SBM-1	40d ii	Involvement in activities related to chemical production	•		•		Not material
ESRS 2 SBM-1	40d iii	Involvement in activities related to controversial weapons	•		•		Not material
ESRS 2 SBM-1	40d iv	Involvement in activities related to cultivation and production of tobacco			•		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				•	Sustainability Statement
ESRS E1-1	16g	Companies excluded from Paris-aligned Benchmarks		•	•		Sustainability Statement
ESRS E1-4	34	GHG emission reduction targets	•	•	•		Sustainability Statement
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	•				Sustainability Statement
ESRS E1-5	37	Energy consumption and mix	•				Sustainability Statement
ESRS E1-5	40 to 43	Energy intensity of activities in sectors with a high climate impact	•				Sustainability Statement
ESRS E1-6	44	Gross Scope 1, 2 or 3 and Total GHG emissions	•	•	•		Sustainability Statement
ESRS E1-6	53 to 55	Gross GHG emissions intensity	•	•	•		Sustainability Statement
ESRS E1-7	56	GHG removals and carbon credits				•	Sustainability Statement
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			•		Transitional provision
ESRS E1-9	66a, 66c	Disaggregation of monetary amounts by acute and chronic physical risk/Location of significant assets at material physical risk		•			Transitional provision
ESRS E1-9	67c	Breakdown of the carrying value of the undertaking's real estate assets by energy-efficiency classes		•			Transitional provision
ESRS E1-9	69	Degree of portfolio exposure to climate-related opportunities			•		Transitional provision
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register)	•				Not available
ESRS E3-1	9	Water and marine resources	•				Not material
ESRS E3-1	13	Related policies	•				Not material
ESRS E3-1	14	Practices related to sustainable oceans and seas	•				Not material
ESRS E3-4	28c	Total percentage of water recycled and reused	•				Sustainability Statement
ESRS E3-4	29	Total water consumption in m^3 per net revenues in own operations	•				Sustainability Statement
ESRS 2 – SBM-3 E4	16a i	-	•				Sustainability Statement
ESRS 2 – SBM-3 E4	16b	-	•				Sustainability Statement
ESRS 2 – SBM-3 E4	16c	-	•				Sustainability Statement
ESRS E4-2	24b	Sustainable land/agriculture practices or policies	•				Not material
ESRS E4-2	24c	Sustainable oceans/seas practices or policies	•				Not material
ESRS E4-2	24d	Policies to address deforestation	•				Not material
ESRS E5-5	37d	Non-recycled waste	•				Sustainability Statement
ESRS E5-5	39	Hazardous waste and radioactive waste	•				Not material
ESRS 2 – SBM-3 S1	14f	Risk of incidents of forced labor	•				Not material

Disclosure requirement	Datapoint	Description	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Section[(1)]
ESRS 2 – SBM-3 S1	14g	Risk of incidents of child labor	•				Not material
ESRS S1-1	20	Human rights policy commitments	•				Sustainability Statement
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			•		Sustainability Statement
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	•				Not material
ESRS S1-1	23	Workplace accident prevention policy or management system	•				Sustainability Statement
ESRS S1-3	32c	Grievance/complaints handling mechanisms	•				Sustainability Statement
ESRS S1-14	88b, 88c	Number of fatalities and number and rate of work-related accidents	•		•		Sustainability Statement
ESRS S1-14	88e	Number of days lost to injuries, accidents, fatalities or illness	•				Transitional provision
ESRS S1-16	97a	Unadjusted gender pay gap	•		•		Partially available
ESRS S1-16	97b	Excessive CEO pay ratio	•				Partially available
ESRS S1-17	103a	Incidents of discrimination	•				Sustainability Statement
ESRS S1-17	104a	Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	•		•		Sustainability Statement
ESRS 2 – SBM-3 – S2	11b	Significant risk of child labor or forced labor in the value chain	•				Sustainability Statement
ESRS S2-1	17	Human Rights policy commitments	•				Sustainability Statement
ESRS S2-1	18	Policies related to value chain workers	•				Sustainability Statement
ESRS S2-1		Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	•		•		Sustainability Statement
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			•		Sustainability Statement
ESRS S2-4	36	Human Rights issues and incidents connected to its upstream and downstream value chain	•				Sustainability Statement
ESRS S3-1	16	Human Rights policy commitments	•				Sustainability Statement
ESRS S3-1	17	Non-respect of UN Guiding Principles on Business and Human Rights, ILO Principles or and OECD Guidelines	•		•		Sustainability Statement
ESRS S3-4	36	Human Rights issues and incidents	•				Sustainability Statement
ESRS S4-1	16	Policies related to consumers and end-users	•				Sustainability Statement
ESRS S4-1	17	Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	•		•		Sustainability Statement
ESRS S4-4	35	Human rights issues and incidents	•				Sustainability Statement
ESRS G1-1	10b	United Nations Convention against Corruption	•				Sustainability Statement
ESRS G1-1	10d	Protection of whistleblowers	•				Sustainability Statement
ESRS G1-4	24a	Fines for violation of anti-corruption and anti-bribery laws	•		•		Sustainability Statement
ESRS G1-4	24b	Standards of anti-corruption and anti-bribery	•				Sustainability Statement

(1) Refer to the "Disclosure requirement" column to identify where the datapoint appears in the Sustainability Statement.

3.1.5.4 Core elements of due diligence - Cross-reference table [GOV-4]

		Sections in the Sustainability Statement:		
Due diligence process	**Disclosure requirements**	**General**	**Environmental**	**Social**
a/ Embedding due diligence in governance, strategy and business model	**ESRS 2 GOV-2:** Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	3.1.1.3.3 3.1.2.2.1		
	ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes	3.1.1.3.2 3.1.2.1.2		
	ESRS 2 SMB-3: Material impacts, risks and opportunities and their interaction with strategy and business model	3.1.1.4.2	3.1.2.1.1 3.1.2.2.4	3.1.3.2.1 3.1.3.3 3.1.3.4 3.1.3.5 3.1.3.6
b/ Engaging with affected stakeholders	**ESRS 2 GOV-2:** Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	3.1.1.3.3 3.1.2.2.1		
	ESRS 2 SBM-2: Interests and views of stakeholders	3.1.1.2.3		3.1.3.2.1 3.1.3.3 3.1.3.5 3.1.3.6
	ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	3.1.1.4.1		
	ESRS 2 MDR-P: Policies adopted to manage material sustainability matters		3.1.2.1.2 3.1.2.2.2 3.1.2.2.4 3.1.2.2.5	3.1.3.1 3.1.3.2.3 3.1.3.2.5 3.1.3.2.6 3.1.3.3 3.1.3.4 3.1.3.5 3.1.3.6
	ESRS S1-2: Own workforce/own workers			3.1.3.2.3 3.1.3.2.4
	ESRS S3-1: Affected communities			3.1.3.5
	ESRS S4-2: Consumers and end-users			3.1.3.6
c/ Identifying and assessing adverse impacts on people and the environment	**ESRS 2 IRO-1:** Description of the processes to identify and assess material impacts, risks and opportunities	3.1.1.4.1	3.1.2.1.1 3.1.2.2.3 3.1.2.2.4 3.1.2.2.5	
	ESRS 2 SMB-3: Material impacts, risks and opportunities and their interaction with strategy and business model	3.1.1.4.2	3.1.2.1.1 3.1.2.2.4	3.1.3.2.1 3.1.3.3 3.1.3.4 3.1.3.5 3.1.3.6
d/ Taking action to address adverse impacts on people and the environment	**ESRS E1-1:** Transition plan		3.1.2.1.3	
	ESRS 2 MDR-A: Actions and resources in relation to material sustainability matters		3.1.2.1.4 3.1.2.1.5 3.1.2.2.2 3.1.2.2.3 3.1.2.2.4 3.1.2.2.5	3.1.3.2.3 3.1.3.2.4 3.1.3.2.5 3.1.3.2.6 3.1.3.3 3.1.3.4 3.1.3.5 3.1.3.6
e/ Tracking the effectiveness of these efforts	**Monitoring of the human rights vigilance approach**			3.1.3.1
	Metrics and targets: • **ESRS 2 MDR-M:** Metrics in relation to material sustainability matters • **ESRS 2 MDR-T:** Tracking effectiveness of policies and actions through targets		3.1.2.1.4 3.1.2.1.5 3.1.2.1.6 3.1.2.2.2 3.1.2.2.3 3.1.2.2.4 3.1.2.2.5	3.1.3.2.1 3.1.3.2.3 3.1.3.2.4 3.1.3.2.5 3.1.3.2.6 3.1.3.3 3.1.3.5 3.1.3.6

3.1.5.5 List of material priority sites [ESRS E4 SBM-3 16a i, ii, iii]

Global Business Unit	Country	Website	Activity	Sensitive areas	Impact criticality	Dependency criticality
Thermal	Belgium	ARLANXEO	Gas thermal power plant	Uitgebreid bosbeheerplan Antwerpen (Antwerp comprehensive forest management plan) (IUCN cat VI), Hobokense Polder (IUCN cat IV), NBP-OV-21-0025 type 3 (IUCN cat IV), NBP-OV-21-0025 type 4 (IUCN cat IV), NBP-AN-21-0125 type 4 (IUCN cat IV), Kuifeend and Blokkersdijk (KBA), Schelde en Durme-estuarium van de Nederlandse grens tot Gent (Natura 2000)	High	Moderate
Energy Solutions	United States	Suez Denver Metro, LLC	Biomass power plant	Jeffco (IUCN cat V) Lookout Mountain (IUCN cat V), South Table Mountain Park (IUCN cat V) Camp George West (IUCN cat V), Mount Galbraith (IUCN cat V), North Table Mountain (IUCN cat V), Van Bibber (IUCN cat V).	Very high	Moderate
Networks	Chile	GNL Mejillones	LNG terminal	Bahía de Mejillones (KBA)	Very high	Moderate
Thermal	Spain	CARTAGENA	Gas thermal power plant	Islas e Islotes del Litoral Mediterráneo (IUCN cat V), Sierra de Fausilla (KBA), Sierra de la Fausilla (Natura 2000)	High	Moderate
Renewables	Chile	CHAPIQUIÑA	Hydropower	Lauca National Park (KBA), Lauca (MAB)	High	High
Renewables	Belgium	DOUR	Wind power plant	Coron du Marais de Montreuil (IUCN cat IV), Les Préelles (IUCN cat IV), Marais de Montroeul (IUCN cat IV), Scarpe-Escaut (IUCN cat V), Bassin de la Haine (KBA),Vallée de la Haine en aval de Mons (Natura 2000)	Moderate	High
Thermal	Netherlands	EEMS	Gas thermal power plant	Niedersächsisches Wattenmeer (IUCN cat II), Waddenzee (IUCN cat IV), Außenems (IUCN cat IV), Wadden Sea (RAMSAR), Waddenzee (KBA), Waddensea of Lower Saxony (MAB), Waddenzee (Natura 2000), Wadden Sea (UNESCO)	High	Moderate
Energy Solutions	Italy	Agrinergia Srl	Biomethanizer (anaerobic digestion unit)	Monti Lepini (KBA), Monti Lepini (Natura 2000)	Very high	Very high
Energy Solutions	Portugal	Climaespaco	Cold production	Estuário do Tejo (IUCN cat V), Estuário do Tejo (RAMSAR), Estuário do Tejo (KBA), Estuário do Tejo (Natura 2000)	Low	Moderate
Energy Solutions	Italy	PAPARDO (ME)	Gas thermal power plant	Riserva naturale orientata Laguna di Capo Peloro (IUCN cat IV), Monti Peloritani (KBA), Monti Peloritani, Dorsale Curcuraci, Antennamare e area marina dello Stretto di Messina (Natura 2000)	Low	Moderate
Renewables	Italy	MONTE DELLA DIFESA	Wind power plant	Riserva naturale Foce Sele – Tanagro (IUCN cat IV), Parco nazionale del Cilento e Vallo di Diano (IUCN cat II), Monti Alburni (KBA), Cilento and Val de Diano (MAB), Fiumi Tanagro e Sele (Natura 2000)	Moderate	High
Renewables	Spain	OLVERA	Hydropower	Río Guadalimar (IUCN cat IV), Noreste de Jaén (KBA), Río Guadalimar (Natura 2000)	High	High
Thermal	Australia	PELICAN POINT	Gas thermal power plant	Adelaide International Bird Sanctuary-Winaityinaityi Pangkara (IUCN cat VI), Torrens Island (IUCN cat III), Gulf St Vincent (KBA)	High	Moderate
Renewables	Italy	PIANO DEL CORNALE	Wind power plant	Riserva naturale Foce Sele – Tanagro (IUCN cat IV), Parco regionale Monti Picentini (IUCN cat V), Monti Picentini (KBA), Picentini (Natura 2000)	Moderate	High
Renewables	Italy	PONTINIA	Solar farm	Monti Lepini (KBA), Monti Lepini (Natura 2000)	Low	Moderate
Renewables	Peru	QUITARACSA	Hydropower	Huascarán (IUCN cat II), Parque Nacional Huascarán y zona de amortiguamiento (KBA), Huascarán National Park (UNESCO)	High	High
Renewables	Belgium	SINT GILLIS WAAS	Wind power plant	NBP-OV-21-0280 type 4 (IUCN cat IV), De Gavers (IUCN cat IV), NBP-OV-20-0139 type 3 (IUCN cat IV), NBP/OV/20/0286 type 4 (IUCN cat IV), Lange Vaag (IUCN cat IV), Grote Geule (IUCN cat IV), Schorren en Polders van de Beneden-Schelde (KBA), Bossen en heiden van zandig Vlaanderen: oostelijk deel (Natura 2000)	Moderate	High
Renewables	Netherlands	Windpark Eems	Wind power plant	Niedersächsisches Wattenmeer (IUCN cat II), Außenems (IUCN cat IV), Waddenzee (IUCN cat IV), Wadden Sea (RAMSAR), Waddenzee (KBA), Waddensea of Lower Saxony (MAB), Waddenzee (Natura 2000), Wadden Sea (UNESCO)	Moderate	High
Networks	France	Fos Tonkin Terminal	LNG terminal	Grands Paluds – Gonon (IUCN cat IV), Camargue (IUCN cat V), Coussouls De Crau (IUCN cat IV), Poste De Feuillane (IUCN cat IV), La Crau (IUCN cat IV), Marais entre Crau et Grand Rhône: Meyranne, Chanoine, Plan de Bourg et Salins du Caban (KBA), Marais entre Crau et Grand Rhône (Natura 2000)	Very high	Moderate
Networks	France	Montoir-de-Bretagne	LNG terminal	Estuaire de la Loire (IUCN cat IV), Brière (IUCN cat V), Grande Brière (RAMSAR), Estuaire de la Loire (KBA), Estuaire de la Loire (Natura 2000)	Very high	Moderate
Networks	France	Fosmax LNG (Fos Cavaou)	LNG terminal	Poste De Feuillane (IUCN cat IV), Camargue (IUCN cat V), Brière (IUCN cat V), Marais De Liberge (IUCN cat IV), Estuaire de la Loire (IUCN cat IV), Etangs de Citis (KBA), Lavalduc (KBA), Engrenier (KBA), Pourra (KBA), L'Estomac (KBA), Fos et salines de Rassuen et de Fos (KBA), Camargue (Natura 2000)	Very high	Moderate

Global Business Unit	Country	Website	Activity	Sensitive areas	Impact criticality	Dependency criticality
Networks	France	GIE Géométhane (Manosque)	Gas storage	Luberon (IUCN cat III), Périmètre De Protection De La Réserve Naturelle Géologique De Luberon (IUCN cat IV), Luberon Oriental (IUCN cat IV), Luberon (IUCN cat V), Moyenne Vallée de la Durance (KBA), Adrets de Montjustin – Les Craux – rochers et crêtes de Volx (Natura 2000)	Very high	Moderate
Nuke	Belgium	Doel	Nuclear power plant	NBP-OV-23-0010G type 4 (IUCN cat IV), NBP-AN-20-0027 type 2 (IUCN cat IV), NBP-AN-18-0050 type 2 (IUCN cat VI), NBP-OV-23-0010G type 3 (IUCN cat IV), NBP-AN-20-0145G type 3 (IUCN cat IV), NBP-OV-20-0155 type 3 (IUCN cat IV), NBP-AN-20-0145 type 3 (IUCN cat IV), NBP-AN-21-0273 type 4 (IUCN cat IV), Westerschelde & Saeftinghe (IUCN cat IV), Schorren van de Beneden Schelde (RAMSAR), Schorren en Polders van de Beneden-Schelde (KBA), Schorren en Polders van de Beneden-Schelde (Natura 2000)	High	Moderate
Energy Solutions	France	MÂCON BRUYERES	Biomass gas plant	Prairies inondables du Val de Saône (IUCN cat IV), Val de Saône (KBA), Val de Saône (Natura 2000)	Very high	Moderate
Energy Solutions	France	ERENA-CAL	Biomass gas plant	La carrière de Misery (IUCN cat IV), Estuaire de la Loire (KBA), Estuaire de la Loire (Natura 2000)	Very high	Moderate
Energy Solutions	France	ERENA-MLK	Biomass gas plant	Vallée de la Loire de Nantes à Montsoreau (KBA), Vallée de la Loire de Nantes aux Ponts-de-Cé et ses annexes (Natura 2000)	Very high	Moderate
Energy Solutions	France	Bourges Bio Energie Services	Biomass gas plant	Vallée de l'Yèvre (KBA), Vallée de l'Yèvre (Natura 2000)	Very high	Moderate
Energy Solutions	France	SDC Montgaillard	Biomass gas plant	Cap de la Hève (IUCN cat IV), Cap Fagnet (KBA), Littoral Cauchois (Natura 2000)	Very high	Moderate
Energy Solutions	France	Société Blésoise de Distribution de Chaleur (SBDC)	Biomass gas plant	Îles de la Saulas, des Tuileries, de Chaumont et de l'ancien barrage (IUCN cat IV), Le Côteau (IUCN cat IV), Vallée de la Loire: environs de Blois (KBA), Vallée de la Loire de Mosnes à Tavers (Natura 2000)	Very high	Moderate
Energy Solutions	France	SODC	Biomass gas plant	Saint-Mesmin (IUCN cat IV), Périmètre De Protection De La Réserve Naturelle De Saint-Mesmin (IUCN cat IV), Vallée de la Loire: Orléanais (KBA), Vallée de la Loire du Loiret (Natura 2000)	Very high	Moderate
Energy Solutions	New Caledonia/ France	CTSP	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Kafeate wind farm	Wind power plant	Koniambo Massif (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Mont Mau wind farm	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Wind turbines of Negandi	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Prony 1&2 wind farms	Wind power plant	Pic du Pin (IUCN cat IV), Lacs du Grand Sud Neo-Caledonien (RAMSAR), Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Prony 3 wind farm	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	Touango wind farm	Wind power plant	Pic du Pin (IUCN cat IV), Les Lacs du Grand Sud Néo-Calédonien (RAMSAR)	Moderate	High
Energy Solutions	New Caledonia/ France	GE La Coulée MDE	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	GE Negandi MDE	Wind power plant	Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	GE PK4 MDE	Wind power plant	Ouen Toro (IUCN cat II), Grand Lagon Sud Marin (KBA)	Moderate	High
Energy Solutions	New Caledonia/ France	AE La Conception solar farm	Solar power plant	Provincial de Thy (IUCN cat II), Grand Lagon Sud Marin (KBA)	Low	Moderate
Energy Solutions	New Caledonia/ France	Solar AE PK4 192 kWp	Solar power plant	Ouen Toro (IUCN cat II), Grand Lagon Sud Marin (KBA)	Low	Moderate

Global Business Unit	Country	Website	Activity	Sensitive areas	Impact criticality	Dependency criticality
Energy Solutions	New Caledonia/ France	Helio solar farm	Solar power plant	Ouen Toro (IUCN cat II), Grand Lagon Sud Marin (KBA)	Low	Moderate
Energy Solutions	New Caledonia/ France	Solar EEC PK4 222 kWp	Solar power plant	Ouen Toro (IUCN cat II), Grand Lagon Sud Marin (KBA)	Low	Moderate
Energy Solutions	France	BEA – Bois Energies Annemasse SAS	Biomass power plant	Petit Salève (IUCN cat IV), Mesures compensatoires rte Juvigny (IUCN cat IV), Bois De La Vernaz et Îles D'Arves (IUCN cat IV), Les Creuses (IUCN cat IV), Choulex (IUCN cat IV), Haute Seymaz (IUCN cat IV), Rive gauche du Petit-Lac (GE) (IUCN cat IV), Cologny (IUCN cat IV), Dolliets (IUCN cat IV), Lac Léman: Versoix-Hermance-Genève (KBA), Le Salève (Natura 2000)	Very high	Moderate
Energy Solutions	France	ECLA	Gas-fired/ biomass power plant	Volcans D'Auvergne (IUCN cat V), Vallées et côteaux thermophiles au nord de Clermont-Ferrand (Natura 2000), Chaîne des Puys – Limagne fault tectonic arena (UNESCO)	Very high	Moderate
Energy Solutions	France	SDC Moulins	Gas-fired/ biomass power plant	Rivière Allier (IUCN cat IV), Vercors (IUCN cat V), Colline de Comboire (IUCN cat IV), Marais Des Engenières (IUCN cat IV), Chartreuse (IUCN cat V), Val d'Allier Bourbonnais (KBA), Vallée de l'Allier Nord (Natura 2000)	Very high	Moderate
Energy Solutions	France	SDCF	Gas-fired/ biomass power plant	Gorges de la Loire (IUCN cat IV), Pilat (IUCN cat V), Vallée de la Loire: Gorges de la Loire (KBA), Gorges de la Loire (Natura 2000)	Very high	Moderate
Energy Solutions	France	SALINE ENERGIE SERVICES	Gas-fired/ biomass power plant	Pointe de Roux (IUCN cat IV), Estuaire De La Gironde Et Mer Des Pertuis (IUCN cat V), Anse du Fiers d'Ars en Ré (KBA), Pertuis charentais – Rochebonne (Natura 2000)	Very high	Moderate
Renewables	France	Magné farm	Solar power plant	Landes de Cadeuil (IUCN cat IV), La Massonne (IUCN cat IV), Tour de Broue (IUCN cat IV), Marais de Broue (IUCN cat IV), Marais et estuaire de la Seudre (KBA), Landes de Cadeuil (Natura 2000)	Low	Moderate
Renewables	France	XANTON NORD	Wind power plant	Marais Poitevin (IUCN cat V), Plaine calcaire du sud Vendée (KBA), Marais poitevin (Natura 2000)	Moderate	High
Renewables	Portugal	Eólica da Lomba, S.A (full conso)	Wind power plant	Serra da Estrela (IUCN cat V), Serra da Estrela (KBA), Serra da Estrela (Natura 2000)	Moderate	High
Renewables	Portugal	Parque Eolico Serra do Ralo, SA (full conso)	Wind power plant	Serra da Estrela (IUCN cat V), Serra da Estrela (KBA), Serra da Estrela (Natura 2000)	Moderate	High
Renewables	Spain	Marcela Solar	Solar power plant	Corredor Ecológico del Río Guadiamar (IUCN cat IV), Corredor verde del Guadiamar (IUCN cat V), Condado – Campiña (KBA), Corredor Ecológico del Río Guadiamar (Natura 2000)	Low	Moderate
Energy Solutions	France	EOLYO Tarnos	Gas-fired/ biomass power plant	Le Métro (IUCN cat IV), Marais d'Orx et zones humides associées (RAMSAR), Domaine d'Orx (KBA), Zone humide du Métro (Natura 2000)	Very high	Moderate
Energy Solutions	France	Lons boiler plant	Gas-fired/ biomass power plant	Corridor de l'Ousse-des-Bois (IUCN cat IV), Barrage d'Artix et Saligue du Gave de Pau (KBA), Gave de Pau (Natura 2000)	Very high	Moderate
Energy Solutions	France	Pau boiler plant	Gas-fired/ biomass power plant	Corridor de l'Ousse-des-Bois (IUCN cat IV), Barrage d'Artix et Saligue du Gave de Pau (KBA), Gave de Pau (Natura 2000)	Very high	Moderate
Energy Solutions	France	Technopole Brest Iroise	Gas-fired/ biomass power plant	Goulet de Brest (IUCN cat IV), Armorique (IUCN cat V), Presqu'île de Crozon, Tas de Pois et Rochers du Toulinguet (KBA), Presqu'île de Crozon (Natura 2000)	Very high	Moderate

N/A: Not available. Impact criticality and dependence levels are not available for 2024 for battery storage, power transmission lines, anaerobic digestion units and cold networks.

3.1.5.6 Taxonomy tables

The three tables in the double pages below present the standard templates used for the publication of information related to 2024 data on the Revenues (turnover), CAPEX and OPEX indicators according to the Commission Delegated Regulation (EU) No. 2021/2178 dated July 6, 2021.

Proportion of Revenues from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

				Substantial contribution criteria					
		Absolute revenue (3)	Proportion of Revenues (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)
Economic activities (1)	Codes (2)	€ millions	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of energy efficiency equipment for buildings	CCM 3.5	108	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using solar photovoltaic technology	CCM/CCA 4.1	635	0.9%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power technology	CCM 4.2	76	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM/CCA 4.3	1,116	1.5%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	3,413	4.6%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	12	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	264	0.4%	Y	N	N/EL	N/EL	N/EL	N/EL
Storage of electricty	CCM 4.10	501	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	239	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	1,363	1.8%	Y	N	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	95	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from geothermal energy	CCM 4.22	0	0.0%	N	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from bioenergy	CCM 4.24	17	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool using waste heat	CCM 4.25	23	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from nuclear energy in existing installations	CCM 4.28	890	1.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	61	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	39	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	42	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Urban and suburban transport, road passenger transport	CCM 6.3	0	0.0%	N	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1,806	2.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings)	CCM/CCA 7.4	90	0.1%	Y	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	12	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	325	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Data-driven solutions for GHG emission reductions	CCM/CCA 8.2	18	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	2	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM/CCA 9.3	2,680	3.6%	Y	Y	N/EL	N/EL	N/EL	N/EL
Revenues of environmentally sustainable activities (Taxonomy-aligned) (A.1)	**TOTAL**	**13,826**	**19%**	**98%**	**2%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which enabling		**5,435**	**7%**	**100%**					
Of which transitional		**99**	**0%**						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Electricity generation using solar photovoltaic technology	CCM/CCA 4.1	1	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	294	0.40%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	51	0.07%	EL	EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	82	0.11%	EL	EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	547	0.74%	EL	EL	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	2	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from geothermal energy	CCM 4.22	2	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM/CCA 4.29	2,472	3.35%	EL	EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	405	0.55%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	6	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	62	0.08%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Urban and suburban transport, road passenger transport	CCM 6.3	17	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	49	0.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	265	0.36%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	14	0.02%	EL	N/EL	N/EL	N/EL	EL	N/EL
Professional services related to energy performance of buildings	CCM/CCA 9.3	4	0.01%	EL	EL	N/EL	N/EL	N/EL	N/EL
Revenues of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4,273**	**6%**						
TOTAL (A.1+A.2)		**18,099**	**24.5%**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Revenues of Taxonomy-non-eligible activities (B)		**55,713**	**75%**						
TOTAL (A + B)		**73,812**	**100%**						

	DNSH criteria (Do No Significant Harm)									
Codes (2)	Climate change mitigation (11)	Climate change adaptation (12)	Water resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of Revenues, year 2023 (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	E	T
CCM 3.5	YES	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.1	NO	YES	YES	YES	YES	YES	YES	0.6%		
CCM 4.2	YES	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.3	YES	YES	YES	YES	YES	YES	YES	1.0%		
CCM/CCA 4.5	NO	NO	NO	NO	YES	NO	YES	4.5%		
CCM/CCA 4.8	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.9	NO	YES	YES	YES	YES	YES	YES	0.2%		
CCM 4.10	YES	YES	YES	YES	YES	YES	YES	0.7%	E	
CCM 4.14	YES	YES	YES	YES	YES	YES	YES	0.3%		
CCM/CCA 4.15	NO	NO	YES	YES	YES	YES	YES	2.0%		
CCM/CCA 4.20	NO	YES	YES	YES	YES	YES	YES	0.1%		
CCM4.22	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM 4.24	YES	YES	YES	YES	YES	YES	YES	0.2%		
CCM 4.25	YES	YES	YES	YES	YES	YES	YES	0.0%		
CCM 4.28	YES	YES	YES	YES	YES	YES	YES	1.0%		
CCM 4.30	NO	NO	YES	YES	YES	YES	YES	0.1%		T
CCM 4.31	NO	YES	YES	YES	YES	YES	YES	0.1%		T
CCM 5.7	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM 6.3	NO	YES	YES	YES	YES	YES	YES	0.1%		T
CCM 6.15	NO	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 7.3	NO	NO	YES	YES	YES	YES	YES	2.5%	E	
CCM/CCA 7.4	YES	YES	YES	YES	YES	YES	YES	0.1%	E	
CCM 7.5	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 7.6	YES	YES	YES	YES	YES	YES	YES	0.4%	E	
CCM/CCA 8.2	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 9.1	NO	YES	YES	YES	NO	YES	YES	0.0%	E	
CCM/CCA 9.3	NO	YES	YES	YES	YES	YES	YES	3.6%	E	
TOTAL								**18%**		
CCM/CCA 4.1								0.0%		
CCM/CCA 4.5								0.4%		
CCM/CCA 4.8								0.1%		
CCM/CCA 4.9								0.2%		
CCM/CCA 4.15								0.6%		
CCM/CCA 4.20								0.0%		
CCM4.22								0.0%		
CCM/CCA 4.29								3.9%		
CCM 4.30								0.8%		
CCM 4.31								0.0%		
CCM 5.7								0.1%		
CCM 6.3								0.0%		
CCM 6.15								0.0%		
CCM7.3								0.2%		
CCM 7.5								0.0%		
CCM 9.1								0.0%		
CCM/CCA 9.3								0.0%		
								6%		

Proportion of Capital Expenditure (CapEx) from products or services associated with Taxonomy-aligned economic activities – year 2024

CapEx				Substantial contribution criteria					
		Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)
Economic activities (1)	**Codes (2)**	**€ millions**	**%**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**	**Y; N; N/EL**
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of hydrogen	CCM 3.10	0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	CCM 3.5	5	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using solar photovoltaic technology	CCM/CCA 4.1	2,877	23.4%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power technology	CCM 4.2	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM/CCA 4.3	2,418	19.7%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	532	4.3%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	0	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	0	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Storage of electricty	CCM 4.10	806	6.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Storage of hydrogen	CCM 4.12	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	215	1.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	265	2.2%	Y	N	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	7	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from bioenergy	CCM 4.24	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from nuclear energy in existing installations	CCM 4.28	88	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	3	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	4	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	52	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	27	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings)	CCM/CCA 7.4	144	1.2%	Y	Y	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	9	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Data-driven solutions for GHG emission reductions	CCM/CCA 8.2	4	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	3	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM/CCA 9.3	109	0.9%	Y	Y	N/EL	N/EL	N/EL	N/EL
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)	**TOTAL**	**7,576**	**62%**	**100%**	**0%**				
Of which enabling activities		**1,109**	**9%**	**100%**	**0%**				
Of which transitional activities		**7**	**0%**	**0%**					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Electricity generation from wind power	CCM/CCA 4.3	0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	4	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	0	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	8	0.1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10	23	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Storage of hydrogen	CCM 4.12	7	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	113	0.9%	EL	EL	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	1	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool using waste heat	CCM 4.25	6	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29	543	4.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	44	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	40	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	11	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	3	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**806**	**7%**						
TOTAL A1+A2		**8,382**	**68%**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CAPEX of Taxonomy-non-eligible activities (B)		**3,912**	**32%**						
TOTAL A+B		**12,294**	**100%**						

	DNSH criteria (Do No Significant Harm)									
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CAPEX, year 2023 (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
Codes (2)	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	E	T
CCM 3.10	YES	YES	YES	YES	YES	YES	YES	0.1%		
CCM 3.5	YES	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.1	YES	YES	YES	YES	YES	YES	YES	20.2%		
CCM 4.2	YES	YES	YES	YES	YES	YES	YES	0.3%		
CCM/CCA 4.3	YES	YES	YES	YES	YES	YES	YES	18.4%		
CCM/CCA 4.5	NO	NO	NO	NO	YES	NO	YES	2.3%		
CCM/CCA 4.8	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.9	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM 4.10	NO	YES	YES	YES	YES	YES	YES	15.5%	E	
CCM 4.12	NO	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 4.14	YES	YES	YES	YES	YES	YES	YES	2.1%		
CCM/CCA 4.15	NO	NO	YES	YES	YES	YES	YES	2.9%		
CCM/CCA 4.20	NO	YES	YES	YES	YES	YES	YES	0.0%		
CCM 4.24	YES	YES	YES	YES	YES	YES	YES	0.4%		
CCM 4.28	YES	YES	YES	YES	YES	YES	YES	0.4%		
CCM 4.29	NO	NO	YES	YES	YES	YES	YES	0.3%		T
CCM4.30	NO	NO	YES	YES	YES	YES	YES	0.1%		T
CCM 4.31	NO	YES	YES	YES	YES	YES	YES	0.0%		T
CCM 5.7	NO	YES	YES	YES	YES	YES	YES	0.4%		
CCM7.3	NO	YES	YES	YES	YES	YES	YES	0.3%	E	
CCM/CCA 7.4	YES	YES	YES	YES	YES	YES	YES	0.6%	E	
CCM 7.5	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
CCM 7.6	NO	YES	YES	YES	YES	YES	YES	0.6%	E	
CCM/CCA 8.2	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM9.1	NO	YES	YES	YES	YES	YES	YES	0.1%	E	
CCM/CCA 9.3	YES	YES	YES	YES	YES	YES	YES	0.5%	E	
TOTAL								**66%**		
CCM/CCA 4.3								0.1%		
CCM/CCA 4.5								0.0%		
CCM/CCA 4.8								0.0%		
CCM/CCA 4.9								0.8%		
CCM 4.10								0.0%		
CCM 4.12								0.0%		
CCM/CCA 4.15								0.5%		
CCM/CCA 4.20								0.2%		
CCM 4.25								0.0%		
CCM 4.29								4.5%		
CCM 4.30								0.2%		
CCM 4.31								0.0%		
CCM 5.7								0.2%		
CCM 7.3								0.0%		
CCM 7.6								0.0%		
CCM 9.1								0.0%		
								7%		

Proportion of OPEX from products or services associated with Taxonomy-aligned economic activities – year 2024

OPEX				Substantial contribution criteria					
Economic activities (1)	Codes (2)	Absolute OPEX (3)	Proportion of OPEX (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)
		€ millions	%						
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)									
Manufacture of energy efficiency equipment for buildings	CCM 3.5	2	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using solar photovoltaic technology	CCM/CCA 4.1	91	2.1%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power technology	CCM 4.2	15	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM/CCA 4.3	326	7.4%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	217	4.9%	Y	Y	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	1	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	7	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10	32	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Storage of hydrogen	CCM 4.12	3	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	54	1.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	135	3.1%	Y	Y	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	3	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from bioenergy	CCM 4.24	4	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool using waste heat	CCM 4.25	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from nuclear energy in existing installations	CCM 4.28	37	0.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	10	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	1	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	167	3.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings)	CCM/CCA 7.4	2	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	79	1.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Data-driven solutions for GHG emission reductions	CCM/CCA 8.2	2	0.0%	Y	Y	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	2	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM/CCA 9.3	644	14.7%	Y	Y	N/EL	N/EL	N/EL	N/EL
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)	**TOTAL**	**1,842**	**42%**	**98%**	**2%**				
Of which enabling activities		**932**	**21%**	**99%**	**1%**				
Of which transitional activities		**11**	**0%**	**1%**					
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)									
Electricity generation using solar photovoltaic technology	CCM/CCA 4.1	2	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM/CCA 4.3	2	0.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM/CCA 4.5	7	0.2%	EL	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from bioenergy	CCM/CCA 4.8	3	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM/CCA 4.9	40	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM/CCA 4.15	97	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Cogeneration of heat/cool and power from bioenergy	CCM/CCA 4.20	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from geothermal energy	CCM 4.22	2	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool using waste heat	CCM 4.25	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM/CCA 4.29	212	4.8%	EL	EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	CCM 4.30	48	1.1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	2	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	31	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	120	2.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**567**	**13%**						
TOTAL A1+A2		**2,408**	**55%**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OPEX of Taxonomy-non-eligible activities (B)		**1,976**	**45%**						
TOTAL A+B		**4,384**	**100%**						

	DNSH criteria (Do No Significant Harm)									
Codes (2)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of OPEX, year 2023 (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO		%	E	T
CCM 3.5	YES	YES	YES	YES	YES	YES	YES	0.0%		
CCM/CCA 4.1	NO	YES	YES	YES	YES	YES	YES	2.1%		
CCM 4.2	YES	YES	YES	YES	YES	YES	YES	0.1%		
CCM/CCA 4.3	YES	NO	YES	YES	YES	YES	YES	6.9%		
CCM/CCA 4.5	NO	NO	NO	NO	YES	NO	YES	6.5%		
CCM/CCA 4.8	NO	YES	YES	YES	YES	YES	YES	0.1%		
CCM/CCA 4.9	NO	YES	YES	YES	YES	YES	YES	0.2%		
CCM 4.10	YES	YES	YES	YES	YES	YES	YES	0.8%	E	
CCM 4.12	YES	YES	YES	YES	YES	YES	YES	0.1%	E	
CCM 4.14	YES	YES	YES	YES	YES	YES	YES	1.4%		
CCM/CCA 4.15	NO	YES	YES	YES	YES	YES	YES	5.2%		
CCM/CCA 4.20	NO	YES	YES	YES	YES	YES	YES	0.1%		
CCM 4.24	YES	YES	YES	YES	YES	YES	YES	0.2%		
CCM 4.25	NO	YES	YES	YES	YES	YES	YES	0.1%		
CCM 4.28	YES	YES	YES	YES	YES	YES	YES	1.1%		
CCM 4.30	NO	NO	YES	YES	YES	YES	YES	0.0%		T
CCM 4.31	NO	YES	YES	YES	YES	YES	YES	0.0%		T
CCM 5.7	NO	YES	YES	YES	YES	YES	YES	0.2%		
CCM 6.15	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
CCM 7.3	NO	YES	YES	YES	YES	YES	YES	3.0%	E	
CCM/CCA 7.4	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 7.6	YES	YES	YES	YES	YES	YES	YES	0.5%	E	
CCM/CCA 8.2	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM 9.1	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CCM/CCA 9.3	YES	YES	YES	YES	YES	YES	YES	6.7%	E	
TOTAL								**36%**		
CCM/CCA 4.1								0.0%		
CCM/CCA 4.3								0.1%		
CCM/CCA 4.5								0.2%		
CCM/CCA 4.8								0.2%		
CCM/CCA 4.9								1.4%		
CCM/CCA 4.15								2.9%		
CCM/CCA 4.20								0.0%		
CCM 4.22								0.1%		
CCM 4.25								0.0%		
CCM/CCA 4.29								6.1%		
CCM 4.30								1.4%		
CC 4.31								-0.1%		
CCM 5.7								0.8%		
CCM 7.3								3.0%		
CCM 7.5								0.1%		
								16%		

DEGREE OF ELIGIBILITY AND ALIGNMENT BY ENVIRONMENTAL OBJECTIVE

	Proportion of Revenues/total Revenues	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM – Climate Change Mitigation	98%	97%
CCA – Climate Change Adaptation	2%	3%
WTR – Water and Marine Resources		
CE – Circular economy		
PPC – Pollution Prevention and Control		
BIO – Biodiversity and ecosystems		

	Proportion of CAPEX/total CAPEX	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM – Climate Change Mitigation	100%	99%
CCA – Climate Change Adaptation	0%	1%
WTR – Water and Marine Resources		
CE – Circular economy		
PPC – Pollution Prevention and Control		
BIO – Biodiversity and ecosystems		

	Proportion of OPEX/total OPEX	
	Aligned with Taxonomy by objective	Eligible for Taxonomy by objective
CCM – Climate Change Mitigation	98%	97%
CCA – Climate Change Adaptation	2%	3%
WTR – Water and Marine Resources		
CE – Circular economy		
PPC – Pollution Prevention and Control		
BIO – Biodiversity and ecosystems		

For eligible activities, the process covered all six objectives of the Taxonomy. However, after analyzing the economic activities covered by all the objectives, the Group is mainly concerned with the mitigation objective in line with its decarbonization strategy.

The following tables present the standard templates used for the publication of information relating to nuclear and gas activities according to Commission Delegated Regulation (EU) No. 2022/1214 dated March 9, 2022.

TEMPLATE 1 – NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity production facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or for industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity production facilities that produce electricity using gaseous fossil fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

TEMPLATE 2 – NUCLEAR AND GAS – TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

		Amount in millions of euros and proportion as % – Revenues					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-aligned economic activities (denominator)	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	890	1%	890	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	61	0%	61	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	39	0%	39	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Revenues KPI**	**12,837**	**17%**	**12,529**	**17%**	**307**	**0%**
8.	**TOTAL APPLICABLE KPI – REVENUES**	**73,812**	**100%**	**73,812**	**100%**	**73,812**	**100%**

		Amount in millions of euros and proportion as % – CAPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-aligned economic activities (denominator)	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	88	1%	88	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	3	0%	3	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	4	0%	4	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CAPEX KPI**	**7,480**	**61%**	**7,471**	**61%**	**9**	**0%**
8.	**TOTAL APPLICABLE KPI – CAPEX**	**12,294**	**100%**	**12,294**	**100%**	**12,294**	**100%**

		Amount in millions of euros and proportion as % – OPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	**Taxonomy-aligned economic activities (denominator)**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	37	1%	37	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	10	0%	10	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	1	0%	1	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OPEX KPI**	**1,794**	**41%**	**1,761**	**40%**	**32**	**1%**
8.	**TOTAL APPLICABLE KPI – OPEX**	**4,384**	**100%**	**4,384**	**100%**	**4,384**	**100%**

TEMPLATE 3 – TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

		Amount in millions of euros and proportion as % – Revenues					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	**Taxonomy-aligned economic activities (numerator)**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	890	1%	890	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	61	0%	61	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the Revenues KPI	39	0%	39	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in numerator of the Revenues KPI**	**12,837**	**17%**	**12,529**	**17%**	**307**	**0%**
8.	**TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE REVENUES KPI**	**13,826**	**19%**	**13,519**	**18%**	**307**	**0%**

		Amount in millions of euros and proportion as % – CAPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-aligned economic activities (numerator)	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	88	1%	88	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	3	0%	3	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the CAPEX KPI	4	0%	4	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the CAPEX KPI**	**7,480**	**61%**	**7,471**	**61%**	**9**	**0%**
8.	**TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ACTIVITIES IN THE NUMERATOR OF THE CAPEX KPI**	**7,576**	**62%**	**7,567**	**62%**	**9**	**0%**

		Amount in millions of euros and proportion as % – OPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-aligned economic activities (numerator)	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	37	1%	37	1%	0	0%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	10	0%	10	0%	0	0%
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the OPEX KPI	1	0%	1	0%	0	0%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the OPEX KPI**	**1,794**	**41%**	**1,761**	**40%**	**32**	**1%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE OPEX KPI**	**1,842**	**42%**	**1,809**	**41%**	**32**	**1%**

TEMPLATE 4 – TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

		Amount in millions of euros and proportion as % – Revenues					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-eligible but not Taxonomy-aligned economic activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	2,472	0	2,466	0	6	0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	405	0	285	0	120	0
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	6	0%	6	0%	0	0%
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Revenues KPI**	**1,389**	**2%**	**1,185**	**2%**	**57**	**0%**
8.	**TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE REVENUES KPI**	**4,273**	**6%**	**3,941**	**5%**	**183**	**0%**

		Amount in millions of euros and proportion as % – CAPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Taxonomy-eligible but not Taxonomy-aligned economic activities	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	543	4%	399	3%	144	1%

Row	Taxonomy-eligible but not Taxonomy-aligned economic activities	Amount in millions of euros and proportion as % – CAPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	44	0%	26	0%	19	0%
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CAPEX KPI**	**219**	**2%**	**214**	**2%**	**2**	**0%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE CAPEX KPI**	**806**	**7%**	**639**	**5%**	**164**	**1%**

Row	Taxonomy-eligible but not Taxonomy-aligned economic activities	Amount in millions of euros and proportion as % – OPEX					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	48	1%	39	1%	9	0%
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	2	0%	2	0%	0	0%
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OPEX KPI**	**517**	**12%**	**408**	**9%**	**105**	**2%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE OPEX KPI**	**567**	**13%**	**448**	**10%**	**114**	**3%**

TEMPLATE 5 – TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Row	Taxonomy-non-eligible economic activities	Amount in millions of euros and proportion as % – Revenues CCM+CCA Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	4,051	5%
4.	Amount and proportion of economic activity referred to row line 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the Revenues KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in denominator of the Revenues KPI	0	0%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the Revenues KPI**	**51,662**	**70%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE REVENUES KPI**	**55,713**	**75%**

Row	Taxonomy-non-eligible economic activities	Amount in millions of euros and proportion as % – CAPEX CCM+CCA Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 3 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	124	1%
4.	Amount and proportion of economic activity referred to in row 4 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 5 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in denominator of the CAPEX KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 6 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the CAPEX KPI	0	0%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the CAPEX KPI**	**3,788**	**31%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE KPI**	**3,912**	**32%**

Row	Taxonomy-non-eligible economic activities	Amount in millions of euros and proportion as % – OPEX	
		CCM+CCA	
		Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 2 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 3 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	155	4%
4.	Amount and proportion of economic activity referred to in row 4 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 5 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 6 of template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the OPEX KPI	0	0%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the OPEX KPI**	**1,820**	**42%**
8.	**TOTAL AMOUNT AND TOTAL PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE OPEX KPI**	**1,976**	**45%**

3.1.6 Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024

This is a free translation into English of the statutory auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on Limited assurance engagement on the certification of sustainability information and verification of disclosures requirements set out in Article 8 of Regulation (EU) 2020/852.

To the Annual General Meeting of ENGIE,

This report is issued in our capacity as statutory auditors of ENGIE. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in section 3.1 "Sustainability Statement" of the management report.

Pursuant to Article L. 233-28-4 of the French Commercial Code, ENGIE is required to include the above-mentioned information in a separate section of its management report. This information has been prepared in the context of the first-time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the requirements and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double materiality assessment, and an evolving internal control system. This information enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the Group's business, results and situation. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 ter of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by ENGIE to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- compliance of the sustainability information included in section 3.1 "Sustainability Statement"' of the management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on *Limited assurance engagement on the certification of sustainability information and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*.

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by ENGIE in its management report, we have included an emphasis of matter(s) paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of ENGIE, in particular it does not provide an assessment of the relevance of the choices made by ENGIE in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative data is not covered by our engagement.

Compliance with the ESRS of the process implemented by ENGIE to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by ENGIE has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of the sustainability information disclosed in section 3.1 "Sustainability Statement" of the management report; and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by ENGIE with the ESRS.

We inform you that, as of the date of this report, the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code has not yet been performed.

Elements that received particular attention

We set below the elements that have been the subject of particular attention in relation to our assessment of compliance with the ESRS of the process implemented by ENGIE to determine the information reported.

The information related to the identification of stakeholders and impacts, risks, and opportunities, as well as the assessment of impact materiality and financial materiality, is respectively mentioned in sections 3.1.1.2.3 "Stakeholder Involvement [SBM-2]" and 3.1.1.4 "Double Materiality Process" of the management report.

Concerning the identification of stakeholders

We obtained an understanding of the analysis conducted by the Entity to identify stakeholders who can affect or be affected by the Group's activities.

Concerning the identification of impacts, risks and opportunities

We obtained an understanding of the process implemented by the Entity regarding the identification of actual or potential (both negative and positive) impacts, risks, and opportunities ("IROs"), related to the sustainability matters mentioned in paragraph AR 16 of the "Application Requirements" of the ESRS 1 standard, and, where applicable, those specific to subsidiaries, as presented in the "Results of the Double Materiality Approach" Note in section 3.1.1.4.1 "Description of the Methodology [IRO-1]" of the management report.

We obtained an understanding of the mapping conducted by the Entity of identified IROs, including notably the description of their distribution within the own operations and the value chain, as well as their time horizon (short, medium or long term), and assessed its consistency with our knowledge of the Group.

Concerning the assessment of impact materiality and financial materiality

Through interviews with Management and inspection of available documentation, we obtained an understanding of the process implemented by the Entity to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we appreciated how the Entity established and applied the materiality criteria for the information defined in ESRS 1, including those related to the setting of thresholds, in order to determine the following material information reported:

- metrics relating to material IROs identified in accordance with the relevant ESRS standards;
- ENGIE-specific disclosures.

Compliance of the sustainability information included in section 3.1 "Sustainability Statement" of the management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable to understand the general basis for the preparation and governance of the sustainability information included in sections 3.1.1.1 "Methodological note" and 3.1.1.3 "ESG Responsibility Governance" of the management report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by ENGIE for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of their users, this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in section 3.1 "Sustainability Statement" of the management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to section 3.1.1.1 “Methodological note” of the management report which sets out the bases of preparation and specifies significant judgments and estimates, as well as the quantitative information not available at Group level in a context of first-time application.

Elements that received particular attention

Information provided in application of environmental standard ESRS E1

Information reported in relation to climate change is mentioned in section 3.1.2.1 “Climate change [ESRS E1]“ of the management report.

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of this information with the ESRS.

Our work consisted primarily of assessing:

- on the basis of interviews conducted with the persons concerned, in particular, the “climate” department, whether the description of the policies, actions and targets implemented by ENGIE covers the following areas: climate change mitigation and climate change adaptation;
- the appropriateness of the information set out in section 3.1.2.1 “Climate Change [ESRS E1]” of the management report and its overall consistency with our knowledge of the Group.

Regarding the information published in respect of the greenhouse gas emissions:

- we assessed the consistency of the scope considered for the assessment of the greenhouse gas emissions with the scope of the consolidated financial statements, as well as the approach adopted to determine whether ENGIE has operational control of non-consolidated entities;
- we obtained an understanding of the calculation methodology, and assessed:
  - the main assumptions applied,
  - the sources used for the emission factors,
  - the justification for the inclusions and exclusions of the different categories and the transparency of the information provided in this regard, as indicated in the ”Methodology used to calculate the Group's Total GHG Emissions” paragraph in section 3.1.2.1.6 “Climate Metrics [E1-5, E1-6]“;
- we assessed the application methods of the calculations on a selection of emission categories and sites.

Regarding the information published under the transition plan in sections 3.1.2.1.3 “Transition plan [E1-1]” and 3.1.2.1.4 “Climate change mitigation and energy transition matter [E1-3, E1-4, E1-7, E1-8]” of the management report, our work mainly consisted in assessing:

- whether the information published under the transition plan meets the E1-1 disclosure requirement in the ESRS E1 standard;
- whether the structuring assumptions underlying this plan are adequately described, it being understood that we are not required to express a conclusion on the appropriateness or the level of ambition of the transition plan’s objectives. These assumptions concern in particular the definition and restatement of the 2017 base year, and the greenhouse gas emission reductions resulting from the various decarbonization levers between 2017 and 2024.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by ENGIE to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We determined that there was no such information to communicate in our report.

Paris-La Défense, March 7, 2025

The Statutory Auditor
French original signed by

DELOITTE & ASSOCIES		ERNST & YOUNG et Autres	
Laurence Dubois	Nadia Laadouli	Guillaume Rouger	Sarah Kokot

3.1.7 Statutory Auditors' reasonable assurance report on a selection of the Group's social and environmental information for the year ended December 31, 2024

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Chief Executive Officer,

In our capacity as statutory auditors of ENGIE (hereinafter the "Entity") and in response to your request, we have performed a reasonable assurance engagement on a selection of the Group's environmental and social information relating to the year ended December 31, 2024 (hereinafter the "Information[1]"), in accordance with the rules set out in section "Sustainability statement" (hereinafter the "Reporting Criteria"), of the management report for the year ended December 31, 2024.

Our engagement does not cover the other information included in the management report and, therefore, we do not express an opinion thereon.

Opinion in the form of reasonable assurance

In our opinion, the Information was prepared, in all material respects, in accordance with the Reporting Criteria.

Preparation of the Information

The absence of a commonly used and generally accepted reporting framework or established practices on which to draw in order to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Reporting Criteria, the material items of which are available upon request from the Group.

Limits inherent to the preparation of the Information

As stated in the management report, the Information may be subject to uncertainty inherent to the state of scientific or economic knowledge and the quality of the external data used. Some information is sensitive to the choice of methodology and the assumptions and/or estimates used for its preparation.

Responsibility of the Entity

The Entity's Management is responsible for:

- selecting or drawing up appropriate criteria to prepare the Information;
- preparing the Information according to the Reporting Criteria;
- designing, implementing and maintaining such internal control as it considers necessary to prepare the Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditors

It is our responsibility to:

- plan and perform the engagement to obtain reasonable assurance that the Information is free from material misstatement, whether due to fraud or error;
- express an independent opinion based on the evidence we have obtained;
- submit our opinion to the Chief Executive Officer of ENGIE.

As it is our responsibility to issue an independent opinion on the Information prepared by Management, we are not authorized to participate in the preparation of the Information, as this could compromise our independence.

Professional standards applied

The work described below was performed in accordance with ISAE 3000 (revised) - *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* published by the International Auditing and Assurance Standards Board (IAASB).

(1) *Social and health-safety information: Number of employees (headcount), Number of female employees, Number of permanent employees, Number of temporary employees, Percentage of female managers (%).*
Environmental information: Total energy consumption (in MWh), Renewable energy production – Scope 1 (in MWh), Scope 1 GHG emissions (in Mt CO_2 eq.), Scope 2 GHG emissions – location based (in Mt CO_2 eq.), GHG emissions from energy production, Scopes 1 and 3.15 (in Mt CO_2 eq.), Share of renewable energy capacity in the electricity production mix (at 100% and excluding energy storage) (%), Carbon intensity of energy production (Scope 1) (kg CO_2 eq./MWh eq.), Total quantity of hazardous waste & by-products discharged (including sludge and excluding radioactive waste), Total quantity of hazardous waste & by-products recovered (including sludge and excluding radioactive waste).

Independence and quality management

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code (*Code de commerce*), the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) and the IESBA International Code of Ethics for Professional Accountants (including Independence Standards).

We also apply International Standard on Quality Management 1, which involves defining and implementing a quality control system that includes documented policies and procedures to ensure compliance with applicable ethical rules, professional standards and legal and regulatory texts.

Nature and scope of procedures

A reasonable assurance engagement involves implementing procedures in order to obtain evidence regarding the Information. The nature, timing and extent of the procedures selected depend on our professional judgment, in particular our assessment of the risks of the Information containing material misstatement, whether due to fraud or error. In assessing those risks, we also took into account the internal control relevant to the Entity preparing the Information. We also:

- assessed the appropriateness of the Reporting Criteria with respect to its relevance, completeness, reliability, neutrality and clarity, by taking into consideration, when relevant, the sector's best practices;
- verified the set-up of a process to collect, compile, process and check the completeness and consistency of the Information;
- consulted the documentary sources used and interviewed the relevant people at the Entity's headquarters in order to analyze the deployment and application of the Reporting Criteria;
- implemented analytical review procedures on the Information and verified, on a sample basis, the calculations and the consolidation of the Information;
- tested the Information, for a representative sample of entities we selected, based on their activity, their contribution to the consolidated Information, their location and a risk analysis;
- conducted interviews to verify the proper application of the procedures, and conducted extensive substantive tests, using sampling techniques, to verify the calculations performed and reconcile data with supporting evidence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Paris-La Défense, March 7, 2025

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES		**ERNST & YOUNG et Autres**	
Nadia Laadouli	Laurence Dubois	Sarah Kokot	Guillaume Rouger

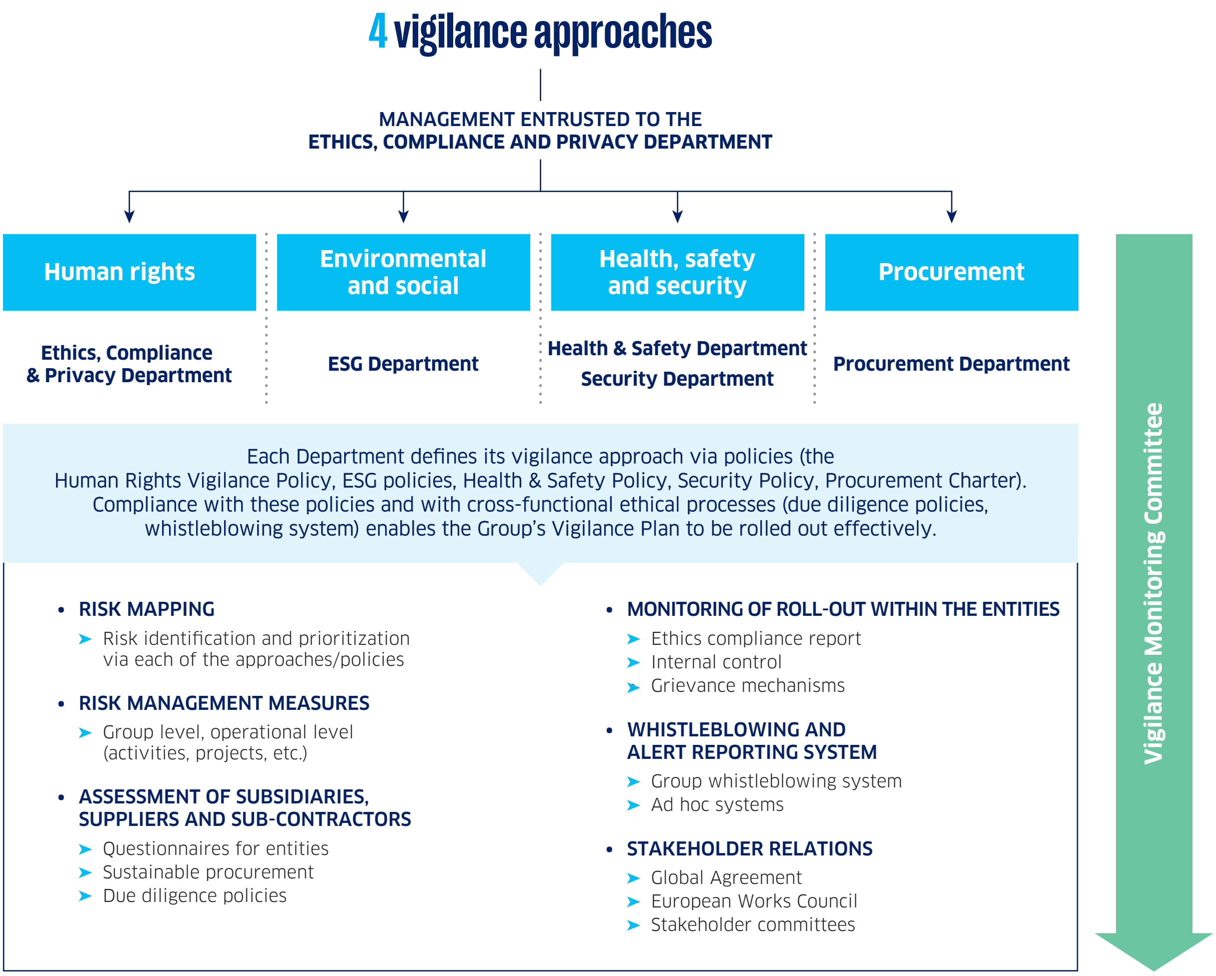
3.2 VIGILANCE PLAN

In accordance with French Act No. 2017-399 of March 27, 2017 on the duty of vigilance of parent and ordering companies, this section presents the Group's Vigilance Plan. More information as well as the policies and the Group's actions are available in the section of the Group's website dedicated to the duty of vigilance: https://www.engie.com/en/ethics-and-compliance/vigilance-plan.

Where relevant, references are made to certain sections of the Sustainability Statement (Section 3.1).

Drawn up in association with ENGIE's international trade union federations as part of a Global Agreement signed in 2022 (see Sections 3.1.3 "Social information", 3.2.1.1 "Preventing and managing risks related to human rights" and 3.2.4.2 "Stakeholder relations"), this Vigilance Plan covers all the measures established by ENGIE to prevent risks related to its activities and those of its controlled companies, as well as the activities of subcontractors or suppliers with which it has established business relationships. It covers serious violations relating to human rights and fundamental freedoms, the health & safety of individuals and the environment. The Group adheres to international standards, which it intends to apply as a minimum base wherever it operates.

Completely integrated to the ethics organization, the Vigilance Plan benefits from steering, governance and dedicated monitoring (see Section 3.2.4).



3.2.1 Identification and management of risks of serious harm to people and the environment

The Group exercises vigilance through policies covering all vigilance matters. Each of these policies includes procedures for identifying and assessing risks. Objectives and monitoring and assessment processes are put in place on the basis of these procedures.

3.2.1.1 Preventing and managing risks related to human rights

Governance

ENGIE's Ethics, Compliance & Privacy Department, attached to the Group's Legal and Ethics Department, itself under the oversight of the Corporate Secretary, is directly responsible for the human rights component of the Vigilance Plan. It relies on the Legal and Ethics functional line, and on other departments concerned by human rights issues (see Section 3.1.4.1 “Ethics and business conduct”).

Risk mapping

In accordance with the Human Rights Vigilance Policy, every year the entities in particular must assess their activities with regard to their impacts on human rights by following the Group's methodology via a dedicated self-diagnostic questionnaire (see Section 3.1.4.1.2 “Ethical risk assessment”). They must also assess any new projects and business activity via a dedicated questionnaire designed to identify the risk factors specific to the planned activity.

Risks are assessed according to country, the use of subcontracting, the activity, characteristics relating to workers, the presence of vulnerable populations, the products/services used, the possible use of armed security forces, and the type of business partners. The assessment of third parties (suppliers, subcontractors, partners, contractors, etc.) explicitly including human rights (see Section 3.2.2) as well as the Whistleblowing System (see Section 3.2.3), are also used to identify risks.

ENGIE is an energy group operating primarily in France and in four regions (Europe, South America, North America and the Asia, Middle East and Africa region – AMEA). At December 31, 2024, ENGIE had 97,967 employees in over 30 countries (see Section 3.1.3.2 "Own workforce"). ENGIE also works with subcontractors and their employees, particularly in its construction (networks, renewable energies, etc.), operation and maintenance activities, etc.

In light of this, the Group's main human rights issues are as follows:

Fundamental rights of employees	Rights of local communities	Subcontracting/suppliers/ partners
• Health & safety conditions • Freedom of association • Non-discrimination • Prevention of forced labor • Working hours • Housing conditions of workers • Private life	• Health of surrounding populations • Living conditions of surrounding populations (food, water, housing, culture, access to resources, etc.) and the right to a healthy environment • Resettlement of populations • Prevention of retaliation against project opponents	• Working conditions and health & safety of subcontractors • Energy supply • Traceability and supply of materials used for Group products and services • Practices of business partners in projects

Employee and site security conditions

- Practices of private or public security forces in the performance of their security duties, especially practices relating to the use of force
- Employee security conditions in at-risk countries

In particular, the entities in two major regions, South America and AMEA, along with Global Energy Management & Sales (GEMS) and Tractebel, present higher risk relating to human rights, either because of their country of operation or the sector of activity.

The potential major risks of negative impacts on the human rights of any individual due to the Group's activities are related to the fundamental rights of workers, in particular with regard to health & safety at work. These risks are presented in detail in Section 3.2.1.2 “Preventing and managing risks related to health & safety at work”.

Human Rights Vigilance Policy

The Group's constantly evolving Human Rights Vigilance Policy, adopted in 2014, sets out the Group's commitments and provides for regular processes to identify and manage risks.

This policy is available on the Group's website at: www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/human-rights-referential. Further details on the policy can be found in Section 3.1.3.1 "Respect for human rights".

Risk management measures

In accordance with the Human Rights Vigilance Policy, for each identified risk, the Group's entities define and implement specific action plans to manage those risks at the operational level. Some of these action plans are described and regularly updated on the Group's website.

In addition to these risk management measures, which are defined and implemented locally by Group entities, other more comprehensive actions are also in place. Application of the Human Rights Vigilance Policy and other Group policies dealing with human rights issues within their scope (see Section 3.1.3.1 "Respect for human rights") enables risk management for all the Group's human rights issues. Examples of these risk management measures, illustrating the main categories of human rights matters identified for the Group, are presented below: "Examples of risk management measures".

The Global Framework Agreement on Fundamental Rights and ENGIE's Social Responsibility (see Sections 3.1.3 "Social information" and 3.2.4.2 "Stakeholder relations") also contributes to risk management. It enables the deployment of high standards in terms of labor relations and social rights through regular, open and constructive social dialogue. This agreement was entered into in January 2022 between the Group, international trade union federations, French unions and representatives of the union organizations representing ENGIE at the international level, brought together in a special negotiating group. It is available at: www.engie.com/en/news/international-social-agreement.

Awareness-raising tools

A training course on the Group's human rights approach was developed in 2019. Open to all, it particularly targets operational staff and managers directly concerned by this topic. An e-learning module on human rights for all employees has been also in use for several years now.

In 2023, the Group adopted a new Ethics Code of Conduct. This document, which replaces ENGIE's Ethics Charter and Practical Guide to Ethics, sets out ENGIE's ethical commitments. These commitments include compliance for human rights. The Ethics Code of Conduct, available in 15 languages, is published on the Group's website at: https://www.engie.com/en/group/ethics-and-compliance/code-ethical-conduct.

Examples of risk management measures

These examples illustrate the main categories of human rights matters identified for the Group: fundamental rights of workers, rights of local communities, employee and site security conditions, subcontracting and suppliers.

Fundamental rights of workers

Preventing health & safety risks at work

For ENGIE, health & safety is an absolute priority. Protecting the lives of all those who work for the Group (employees or subcontractors) is central to ENGIE's actions (see Sections 3.1.3.2.6 "Health & safety of workers", 3.1.3.3 "Workers in the value chain" and 3.2.1.2 "Preventing and managing risks related to health & safety at work").

Preventing the risk of harassment and discrimination

Preventing and combating harassment and all forms of discrimination apply both within the Group and for subcontractors' employees. For example, in 2021 and 2022, the Group rolled out guides to reaffirm the principle of zero tolerance in all parts of the world:

- a guide against all forms of discrimination against LGBTQ+ people;
- a guide on combating sexual harassment and sexist acts.

Preventing the risks related to modern slavery

The Group shares the objectives of the British Modern Slavery Act and takes a variety of steps to ensure that no modern slavery practices (including slavery, forced labor and human trafficking) are used in its operations or in those of its supply chain. ENGIE's declaration on modern slavery is available at the following address: https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures/human-rights-referential

Other risk management measures related to the fundamental rights of workers are detailed in the ENGIE Global Agreement and Section 3.2.1.2 "Preventing and managing risks related to health & safety at work".

Rights of local communities

Preventing the risks of violation of the rights of local communities

The Group is particularly attentive to the impact of its activities on local communities. It specifically takes into account the situations of vulnerable people (such as indigenous peoples). To do this, the Group assesses the potential impact of its activity on communities and ensures that their expectations are taken into account through dialogue and consultation (see Section 3.2.4.2).

All information relating to the risks of infringement of the rights of local communities is detailed in the Group's Sustainability Statement in Section 3.1.3.5 "Affected communities".

Employee and site security conditions

Preventing and managing risks related to personal security

The Group pays particular attention to respect for human rights in its security activities. The Security Department brings together and leads a network of security managers who define and coordinate the implementation of the Group Security Policy, which aims to protect people, sites and information from malicious acts. This duty of protection applies to all employees, regardless of their status, and notably those on international mobility.

Malicious threats and acts targeting individuals form an integral part of the security risks included in the company's risk catalog (Enterprise Risk Management – ERM). Security incidents are addressed systematically.

The Group's requirements also include raising awareness among security managers and mandatory training of the staff of security service providers. The overriding objective is to avoid the risk of disproportionate use of force in security activities. Moreover, these firms are always subject to checks (due diligence) before they are used. For this reason, contracts with security service and private security firms always include the Group's ethics clause, which appears in the General Terms and Conditions of Purchase.

Lastly, security officers work closely with privacy teams to ensure strict compliance with rules regarding recordings and the conservation of video surveillance data.

Commitments, whistleblowing processes and incident management systems are described in Section 3.1.4.3.2 "Security of people, sites and information".

Other health, safety and security risk management measures are detailed in the ENGIE Global Agreement and Section 3.2.1.2 "Preventing and managing risks related to health & safety at work".

Subcontracting and suppliers

Preventing risks of forced labor practices in the Group's supply chains located in China

Several years ago, the Group introduced a specific, in-depth vigilance action plan to identify and manage these risks for certain product categories. The Group has agreed to ensure compliance with international laws and actively monitors the situation to ensure that no forced labor is used anywhere along its supply chain located in China. In 2024, the Group continued to exercise enhanced vigilance (see also Section 2.2.5.1).

ENGIE has voluntarily reduced its panel of suppliers in relation to the Group's supply chains in China. The Group conducts rigorous ethical checks of its suppliers. To ensure supplier transparency, ENGIE has also established direct communication with each of them to assess their ability to commit and to share the most sensitive information.

The main measures implemented include:

- in-depth supplier due diligence by independent experts who pay particular attention to human rights matters;
- supply chain evidence requested from suppliers;
- a written statement from suppliers not to use forced labor;
- distribution of ethics surveys on forced labor, requiring suppliers to provide documentary evidence showing that they prohibit forced labor;
- stronger contractual clauses (general audit clause, breach of contract in case of failure by suppliers to meet their obligations, supplier's guarantee to comply with local and international regulations governing forced labor, from the procurement of commodities through to the delivery of a product);
- participation in several industry initiatives (Solar Energy Industries Association in the United States, SolarPower Europe, WindEurope, Global Battery Alliance) in the solar, wind and battery sectors to share and improve risk management practices.

Preventing the risk of violation of the fundamental rights of workers in ENGIE's customer relations centers located abroad

The Group began to roll out an action plan in 2022. This plan targets certain Group customer relations centers located abroad and is aimed at assessing the actual working conditions of workers in consultation with them. In 2023 and 2024, for example, checks to ensure the implementation of the requirements were conducted directly on site in certain customer relations centers. Social audits, carried out by a specialized independent third party, are also organized in ENGIE's customer relations centers.

Other risk management measures related to business partners are detailed in the ENGIE Global Agreement and Sections 3.2.1.2 "Preventing and managing risks related to health & safety at work", 3.2.1.4 "Preventing and managing risks related to energy supply", 3.2.1.5 "Preventing and managing risks related to non-energy purchases" and 3.2.2 "Third-party assessment".

More detailed information on risk management measures is also available on the Group's website: https://www.engie.com/en/ethics-and-compliance/vigilance-plan.

Performance monitoring and measurement

Monitoring of the application of these processes is included in the ethical compliance report (quantitative and qualitative metrics) and in the internal control system (see Section 3.1.4.1.7 "Controls and certifications").

2024 results	As a reminder, 90.3% of employees received ethics training. More specifically, 2,627 employees were trained by the Group on human rights, around 60% of whom were from operational functions, and more than half of these from at-risk entities, and 17,263 employees were trained by e-learning on human rights. Other training sessions are also organized by the entities on human rights matters.
Internal control (see Section 2.3)	81.8% of the Group's entities assessed the rollout of the Vigilance Plan at their level as effective[(1)]. 93.4% of the Group's entities assessed the rollout of the Human Rights Vigilance Policy at their level as effective[(1)].
Ethics compliance report	95%: coverage of the annual human rights risk assessment. 100%: partners verified by due diligence procedures (with human rights risk) as part of the Group's investment committees.

(1) Maximum level 4 according to the internal control reference system.

In 2022, the Group signed a Global Framework Agreement relating to fundamental rights and social responsibility. The agreement also includes a process to monitor commitments:

Group commitments	Monitoring (2024 figures)
Health & safety (see Sections 3.1.3.2.6 "Health & safety of workers" and 3.1.3.3 "Workers in the value chain (excluding energy)")	Lost Time Injury Rate for employees, temporary workers and (sub)contractors: 1.7 for a 2.0 objective (representing an improvement compared with 2023: 1.8) Fatality rate: 0.009 (0.019 in 2023); target of zero each year
ENGIE Care program (minimum level of social protection for all employees worldwide, see Section 3.1.3.2.3 "Working conditions and social dialogue")	**Fully paid maternity leave (14 weeks)**: 99% of employees covered at September 1, 2024 and 100% by the end of 2024 (in 2023, 73.5% of entities complied with this minimum, which represented, for 2023: 90.7% of female employees; in 2022: 66.5% of entities complied with this minimum) **Fully paid paternity leave (four weeks)**: 98% of employees covered at September 1, 2024 and 100% by the end of 2024 (in 2023, 40% of entities complied with this minimum, which represented, for 2023: 62.3% of employees; in 2022: 27.7% of entities complied with this minimum) **Death benefits (12 months' gross wages paid in the event of death)**: 98% of employees covered at September 1, 2024 and 100% by the end of 2024 (97.2% in 2023 and 94.6% in 2022) Reimbursement of 75% of hospitalization costs: 100% of employees covered at September 1, 2024 and 100% by the end of 2024 (98.6% in 2023 and 97.2% in 2022) **Disability allowances (12 months' gross wages paid in the event of permanent total disability)**: 98% of employees covered at September 1, 2024 and 100% by the end of 2024 (87% in 2023 and 79.2% in 2022)
Gender diversity: 50% female managers (see Section 3.1.3.2.4 "Equity, diversity and inclusion")	Percentage of female managers: 32% (31.2% in 2023)
Equal pay for men and women (see Section 3.1.3.2.4 "Equity, diversity and inclusion")	Pay gap between men and women: 1.85% (1.92% in 2023)

3.2.1.2 Preventing and managing risks related to health & safety at work

Health & safety management system

Protecting the health & safety of the people working for the Group is an absolute priority. In order to achieve its objectives in this area, the Group has put in place the following provisions:

- a Health & Safety Policy that identifies issues, sets ambitions and defines the levers for action;
- a dedicated governance system, incorporating the presentation of health & safety results to the Executive Committee, the Ethics, Environment and Sustainable Development Committee (EESDC) and the Board of Directors;
- Group Rules and thematic standards that define the requirements to be met by entities and operators, including employees, subcontractors and temporary workers;
- action plans designed to control risks including programs to train employees and raise awareness among operators;
- quantitative reporting in the form of metrics and a qualitative report, enabling the escalation and analysis of incidents and accidents, as well as that of events organized by the entities;
- actions to verify implementation in the field of the Group's expectations in the form of safety visits, audits and inspections.

The main provisions implemented in 2024 are described below, and in Section 3.1.3.2.6 "Health & safety of workers."

Governance

Health & safety at work is led by the Group Health & Safety Department in accordance with its Health & Safety Policy.

A Group Health & Safety Management Committee chaired by the Group's Health & Safety Vice-President, including the health & safety managers of the four GBU and of Nuclear, meets every month. The role of this committee is to set metrics and objectives, decide on required actions and ensure the operational rollout of the Group's health & safety transformation plan, ENGIE One Safety.

In addition, the implementation of this transformation plan is regularly presented to employee representative bodies.

Risk management methodology

For several years now, ENGIE has had Group Health & Safety Rules that define the minimum requirements for identifying, assessing and addressing risks related to health & safety at work and industrial safety (the GR04 rule).

This Group Rule details the five key steps in the risk management process:

- hazard identification and risk assessment;
- handling risks by applying the prevention hierarchy;
- recording and follow-up;
- communication with the managers and operators concerned;
- regular reassessment.

This Group Rule was revised in 2024 with the aim of:

- strengthening the application of a risk-based approach to health & safety at work and industrial process safety;
- ensuring the implementation of a preventive and proactive risk management strategy within all ENGIE entities.

Risk mapping

Risk mapping relating to health & safety covers both risks of harm to the health & safety of employees, temporary workers and subcontractors working for the Group, and risks relating to the industrial safety of the Group's industrial assets or those for which the Group provides maintenance and/or operates on behalf of clients.

MAPPING OF HEALTH & SAFETY AND INDUSTRIAL SAFETY RISKS

Harm to the health & safety of people		
Occupational accidents	**Harm to health**	**Industrial accidents**
Safety risks:	**Risks related to the occupational environment:**	**Risks related to industrial processes Examples of activities:**
• **examples of risks:** falls from height, road accidents, working near moving vehicles or equipment, electric shock, electrocution, explosion, exposure to high pressure, trench collapse, fire, acute poisoning, suffocation, lack of oxygen, injuries relating to the use of tools or machinery, or to the lifting of equipment, falling objects, tools or equipment.	• **examples of health risks:** musculoskeletal disorders, psychosocial risks, exposure to carcinogenic, mutagenic or reprotoxic substances.	• operation of LNG terminals, gas underground storage sites, gas transmission and distribution networks, heating plants and power plants, hydro dams, heating networks and wind farms; • services performed at a customer's industrial site; • network construction.

The implementation of the Group Rule on risk management and the reporting of health & safety events occurring in the field led the Group to identify several major risks in 2024 that could lead to serious or fatal accidents among employees, temporary workers and subcontractors working for the Group. In particular, these risks include:

- electrocution;
- fire or explosion;
- falls from height;
- being crushed when equipment or objects fall, or when lifting a load;
- injury when operating machinery, equipment or tools.

In 2024, these five risks accounted for more than 70% of the events that could have led to a serious or fatal accident (events with a high potential of severity or “HiPo”).

Addressing these major risks is central to the prevention of risks to which Group employees, temporary workers and subcontractors are exposed.

Health & Safety Policy

The Group’s Health & Safety Policy sets out the key principles for the management of health & safety.

A reviewed version of this policy was published in 2022 in conjunction with the introduction of a Global Framework Agreement on Fundamental Rights and ENGIE’s Social Responsibility. This agreement, incorporating the Health & Safety Policy in its appendix, is available on the Group’s website at: www.engie.com/en/news/international-social-agreement.

Risk management measures

The risk management measures are outlined in the Group Rules on health & safety and thematic standards that define the requirements to be met by entities and operators, including employees, subcontractors or temporary workers.

The Group’s various business lines define the specific requirements for addressing risks specific to their activities.

In addition to these measures, the Group has defined and deployed the Five Safety Essentials, which are the behaviors that must be implemented by employees, temporary workers and subcontractors working for the Group to combat serious and fatal accidents. These are:

- the nine Life Saving Rules;
- the identification and handling of HiPo (events with high potential of severity) and other incidents related to the prevention of serious accidents (e.g., failure to respect a Life Saving Rule);
- “Stop the Work” if safety conditions are not met;
- the Last Minute Risk Assessment to be carried out before starting or resuming any activity;
- Shared Vigilance, which involves also ensuring the safety of people working in the same environment.

The Group has also drawn up rules to be followed by its entities concerning the health & safety of its temporary workers (GR01) and subcontractors (GR02).

Due to the number of fatal accidents in recent years, the Group decided to improve its workplace health & safety rules and practices by commissioning an independent consultant (dss+ Consulting) to assess the Group's health & safety management system and the related culture among people working for the Group, and to analyze deviations from best practices implemented by the most efficient industrial players in this field.

The assessment carried out by the consultant identified the Group’s strong points and avenues for improvement and resulted in a number of recommendations aimed at permanently eradicating serious and fatal accidents.

Based on these recommendations, the analysis carried out internally, discussions with employee representatives and feedback from operating entities, the Group defined a major health & safety transformation plan called ENGIE One Safety.

The new main risk management actions implemented in 2024 as part of the transformation plan are:

- the development and distribution of two new standards: one on the prevention of falls from height, the other on the prevention of electrocution;
- the continuation of the new training-coaching program for all Group managers called "ENGIE One Safety Culture", which aims to improve the effectiveness of managerial safety rituals such as safety visits, toolbox talks and performance reviews. Since the program was launched, 8,578 managers have been trained and 5,207 have been coached;
- the administration of an internal control questionnaire which enables health & safety managers to self-assess their entity's control of the risk of serious and fatal accidents, and to identify actions for improvement in areas where control is not at the expected level (INCOME/COR8a);
- the development and testing of a new internal control questionnaire on the management of psychosocial risks (INCOME/COR8c), designed to enable entities to assess themselves on this matter.

A detailed description of these actions can be found in Section 3.1.3.2.6 “Health & safety of workers”.

Awareness-raising tools

In 2024, the Group developed and disseminated several awareness-raising tools to improve health & safety at work, including:

- a mandatory “ENGIE One Safety Induction” e-learning course for all Group employees and subcontractors to embed the Safety Essentials into daily practices;
- several awareness campaigns aimed at operational employees, temporary workers and subcontractors (management of electrical risks, risks of falls from height, implementation of the Last Minute Risk Assessment, implementation of "Stop the Work");
- a new ENGIE One Safety website dedicated to the prevention of serious and fatal accidents aimed at the Group's various internal and external stakeholders. The site can be accessed at https://onesafety.engie.com/;

- the "Prevention News" newsletter dedicated to the prevention of serious and fatal accidents;
- the "No Mind at Risk" newsletter aimed at improving workplace well-being and preventing psychosocial risks.

Performance monitoring and measurement

Several systems have been implemented to assess and monitor the Group's performance in terms of health & safety at work, in addition to the measures put in place by the entities.

The Group has been implementing health & safety reporting for several years to monitor its performance in this field through quantitative metrics. In 2024, the Group published a new version of its health & safety reporting framework in order to incorporate new metrics mandated by the European standards pursuant to the Corporate Sustainability Reporting Directive (CSRD).

In addition, ENGIE has implemented an internal audit process to assess the control of major risks in the entities, with a view to avoiding serious and fatal accidents. It involves identifying best practices and improvement measures.

The Group's health & safety performance is monitored by the various governing bodies:

- the Group Health & Safety Management Committee chaired by the Group's Health & Safety Vice-President;
- the Executive Committee;
- EESDC;
- the Board of Directors.

The Group's health & safety results in 2024 are as follows:

- **number of work-related fatalities** among Group employees, temporary workers and (sub)contractors was three (six in 2023), versus a target of zero;
- **a fatality rate** for employees, temporary workers and (sub)contractors of 0.009 (0.019 in 2023) versus a target of zero. The fatality rate is calculated as follows, including data on employees, temporary workers and (sub)contractors:

  fatality rate = (Number of work-related fatalities) x10^6 / Number of hours worked
- **a Lost Time Injury Rate** for employees, temporary workers and (sub)contractors working for the Group of 1.7 (1.8 in 2023), which is below the maximum target for the year of 2.0.

  The Lost Time Injury Rate is calculated as follows, including data relating to employees, temporary workers and (sub)contractors:

  LTIR = (Number of lost-time accidents + number of work-related fatalities) x 10^6 / Number of hours worked
- **severity rate of lost-time accidents** for employees was 0.074 (according to ILO standards); the severity rate is calculated as follows:

  SR = Number of days lost x 1,000 / Number of hours worked

3.2.1.3 Preventing and managing environmental and societal risks

Governance

The Environmental, Social and Governance (ESG) Department, reporting to the Executive Vice President in charge of Finance, Procurement and ESG, addresses climate, nature and societal challenges at Group level. It leads and coordinates a network of Sustainability Officers covering environmental and social matters. ESG is organized at GBU, country and local levels. The Sustainability Officers are responsible for ensuring that policies are properly implemented, that objectives are met and that performance is measured within their respective areas.

Risk mapping

MAPPING OF ENVIRONMENTAL AND SOCIETAL RISKS

Environmental risks	Societal risks
• Climate change mitigation (GHG) • Climate change adaptation • Biodiversity and ecosystem rehabilitation • Freshwater and oceans • Pollution • Land use	• Relationships with local communities and indigenous peoples • Employee training and retraining • Right to operate in a territory • Affordable commercial offerings

From an environmental perspective, the major risk for the Group is climate risk, followed by biodiversity, water, pollution and resource management risks. Climate risk is analyzed through the double dimension of mitigation (annually and quarterly) and adaptation (annually). Other environmental risks are analyzed each year for the existing scope and for each project subject to approval at least from the GBU' executive committees. These environmental risks are addressed both globally and locally in order to identify projects and sites at risk, and then to establish action plans. The mapping is based on environmental data measured by the sites, international databases and climate scenarios drawn up in partnership with experts from the *Institut Pierre-Simon Laplace*.

In 2024, the Group deepened its analysis of dependencies, impacts, risks and opportunities with regard to nature, using the Locate, Evaluate, Assess, Prepare (LEAP) method.

As it relates to freshwater, the main associated risks are the risk of water shortages in water-stressed areas or in the event of drought. Many of the Group's processes require water to operate (thermal power plants, hydroelectricity, heating and cooling networks, LNG terminals, etc.). This risk is monitored through the annual site analysis, or as required for development projects located in water-stressed areas, and through the deployment of environmental action plans.

In terms of oceans, the main risks relate to the development and operation of offshore wind farms and desalination plants.

In terms of biodiversity, the Group carries out annual or ad hoc assessments of the proximity of its sites to biodiversity hotspots (IUCN categories I to VI, Ramsar zones, natural and mixed UNESCO sites, MAB zones, Key Biodiversity Areas and Natura 2000 sites). This analysis also takes into account matters relating to threatened species and the ecological integrity of ecosystems.

In terms of forestry, the main risk associated with the Group's activities relates to the need to cut down trees to develop new projects. This option is seen only as a last resort, after all possible avoidance and mitigation measures have been studied. The risk of imported deforestation for energy supplies is detailed in Section 3.2.1.4 "Preventing and managing risks related to energy supply".

In terms of pollution, the risks associated with the Group's activities are mainly related to emissions of atmospheric pollutants (NO_x, SO_x, particulate matter). To a lesser extent, the Group's activities can also present risks of water pollution (discharges from thermal power plants, LNG terminals or desalination plants) and, in the event of accidental spills, pollution of soil.

As regards the circular economy, the main risk is related to the waste generated by the Group's activities, in particular during dismantling operations. This waste is monitored locally and quantities reported annually.

The table below summarizes the main risks that negatively impact the environment by activity:

Activities / Risks of negative impact	Land usage	Freshwater usage	Occupying airspace	Discharges into water bodies or oceans	Emissions in the air	Accidental emissions into soil	Waste production	Use of critical materials in the supply chain	Noise, air or light pollution	Spread of invasive exotic species
Thermal power plants	•	•		•	•	•	•		•	•
Desalination	•			•			•		•	
Hydropower	•	•							•	•
Onshore wind	•		•				•	•	•	
Offshore wind	•		•				•	•	•	
Ground-mounted solar	•						•	•	•	
Geothermal	•	•							•	
Biomass/wood	•				•		•		•	•
Biomethanizer (anaerobic digestion unit)	•					•	•		•	
Underground gas storage	•	•			•	•			•	
LNG terminals	•			•	•				•	•
Battery storage	•						•	•	•	
Gas transport					•		•		•	•
Gas distribution							•			•

For all the risks of negative impacts on the environment and for the risks associated with accidental pollution, the risk to communities resulting from these impacts is also analyzed. In the event of risk, actions are taken to reduce the risk and manage the impacts.

From a societal point of view, the risks analyzed comprise the impact of activities on local communities and their social consequences. The risk analysis is based on a mapping of stakeholders. Engagement plans (societal plans) are then put in place and updated annually from the project stage through to the end-of-life of the asset or the discontinuation of activity.

Project development is given focused attention, with an analysis of environmental and societal risks as far upstream as possible of development in order to avoid impacts to the furthest extent. The result of the risk analysis is presented during Investment Committee project validation meetings. In 2024, this process applies to all major projects of the Group or the Board of Directors. The aim is to cover all projects, regardless of their size, by the end of 2025. The subjects analyzed include: climate change mitigation, climate change adaptation, biodiversity, water and oceans, air pollution, the circular economy, stakeholders, responsible procurement and controversies. The criteria are set out on the ENGIE website: https://www.engie.com/en/analysts/governance/duty-of-vigilance-environmental-societal-risks.

ESG policies

The Group's ESG Policies guide the vigilance process with regard to environmental and social matters (see Section 3.1). These policies include environmental (climate, water & oceans, biodiversity & ecosystems, anti-pollution, circular economy & resources, forests) and societal data (stakeholder engagement, the just transition). Environmental and societal risks are analyzed periodically at every level of the company. These policies are deployed in each Global Business Unit (GBU), subsidiary and site. The implementation of the policies is monitored through Group objectives related to the identified risks. The progress of these objectives is measured annually and the results are presented and commented on by the Ethics, Environment and Sustainable Development Committee (EESDC) and the Board of Directors. For climate change risk mitigation, in addition to the measurement of annual performance, quarterly reviews are carried out to ensure that the results are in line with the defined trajectories. The carbon footprint data are reviewed annually by the Statutory Auditors through audits and audit work. Other environmental and societal risks are analyzed through compliance with objectives and the proper implementation of action plans. The implementation of the policy, objectives and action plans is also subject to an annual internal control process. The results are presented to the Audit Committee and the Board of Directors.

Risk management measures

Climate

ENGIE recognizes the threat posed by climate change as detailed in the 1.5°C report of the Intergovernmental Panel on Climate Change (IPCC). Controlling greenhouse gas (GHG) emissions is a major challenge for the Group. ENGIE has set emissions reduction targets in line with the Paris Agreement. In May 2021, the Group committed to achieving the 2045 Net Zero Carbon objective for all its direct and indirect emissions. All the objectives are available in Section 3.1.2.1.5.

The actions taken to achieve these objectives can be found in Section 3.1.2.1.4. The main actions are:

- coal exit by 2027 at the latest, with the following order of merit: closure, conversion, then, if this is not possible, sale, ensuring continuous stakeholder engagement as part of a just transition approach (see Section 3.1.3.3). The exit plan is progressing rapidly; centralized coal-fired power capacity dropped from 7.2 GW in 2017 to 2.1 GW in 2024;
- reducing, greening or decarbonizing gas consumption and sales, while producing green and decarbonized gas;
- the greening or decarbonization of electricity and heat production, sales and consumption;
- the transition of energy networks (and in particular the reduction of methane emissions from gas networks).

The Group has also developed a number of management tools, which are described in Section 3.1.2.1.3. The main tools are:

- the definition of limits on the main GHG emissions contributors from its activities (energy, gas and electricity generation). They are set as milestones throughout the Group's Net Zero Carbon pathway (2030, 2035, 2040, 2045) and allocated to each GBU;
- the monitoring of these limits is ensured each year as part of the Medium Term Plan, through which the GBU develop their decarbonization business strategy to stay within the limits set;
- infra-annual monitoring of emissions that is carried out via a quarterly survey of the main emissions contributors. It is integrated into the managerial dialogue on operational and financial performance as part of the Quarterly Business Reviews;
- in addition, any new investment decisions must be made in accordance with the limits allocated to the GBU.

The pay policies for the Chief Executive Officer, the Executive Committee and senior executives include criteria linked to the Group's climate objectives (see section 3.1.2.1.1 and Section 4.2).

In parallel with these climate change mitigation efforts, the Group is also adapting to the impacts this will have on its activities, in line with climate science projections (see Section 3.1.2.1.1).

The Group has communicated on the progress of its transition plan in the Sustainability Statement (see Section 3.1) and has reported to its shareholders through a specific item on the agenda of the Shareholders' Meeting since 2023.

Nature

The environmental policies also define the processes relating to risk identification and action plan implementation at various levels to avoid, reduce, and if necessary, offset the environmental impacts of the Group's activities. These action plans are audited annually and are subject to a 100% rollout target for projects, sites and activities by 2030.

In addition to action plan implementation, the nature-related objectives cover: the preservation of biodiversity, the optimization of the consumption and extraction of freshwater for energy production, the reduction of atmospheric pollutant emissions and the reduction of waste generation.

For sites using freshwater and located in areas facing high or extreme water stress, water-related actions to reduce impacts on the resource are expected, taking into account the context of the catchment area and local stakeholders. These actions are integrated into environmental action plans.

With regard to oceans, actions are taken in response to identified risks and integrated into environmental action plans.

For all sites or projects presenting a risk to biodiversity or ecosystems, action plans are requested prioritizing avoidance, reduction or compensation actions in descending order. These action plans are an integral part of the Group's environmental action plans.

When cutting down trees cannot be avoided, they are replanted in the same region, after discussions with external experts to identify endemic species and respect ecosystems. In most projects, a minimum of two trees are replanted for every tree cut down.

Once the risks of water, air or soil pollution have been identified, they are addressed through mitigation actions (avoid, reduce, compensate) integrated into environmental action plans.

Waste management is carried out in accordance with the order of eight actions defined in the policy: eco-design, preservation, optimization, reuse, repair, recycling, innovation, empowerment. As with other environmental matters, risk mitigation actions are included in environmental action plans.

Societal

The societal policy focuses on stakeholder engagement, including local communities and indigenous peoples. Its implementation includes a toolbox, including a tool for mapping stakeholders and supporting the development of associated action plans, training programs and a center of expertise. The Stakeholder Engagement Policy can be consulted at the following address: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Stakeholder%20Engagement%20Policy.pdf.

The Just Transition Policy covers the societal matters associated with the energy transition through four areas: employees, customers, host regions and suppliers. It can be consulted at: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Politique%20Transition%20Juste.pdf.

Measurement and monitoring

The implementation of action plans is subject to targets set for 2030 (100%), with an intermediate stage of 80% deployment by the end of 2025.

In 2024, the deployment level was 76% for environmental action plans and 54% for societal plans.

Awareness-raising tools

E-learning modules covering the climate, biodiversity, stakeholder engagement and the ESG matrix in investment decisions have been developed since 2021 with the Sustainability Academy and target, more specifically, operational employees and managers who are directly concerned by this subject.

As part of the roll-out of the new ESG functional line, training sessions on ESG topics were organized throughout 2024 to ensure that policies were properly understood and their implementation explained.

Webinars were also offered to Business Developers to explain the various environmental and societal criteria, and the expectations with regard to environmental and societal policies.

Performance monitoring and measurement

Climate change mitigation performance, characterized by compliance with the 2030 emission reduction pathway, is monitored quarterly as part of the Quarterly Business Reviews and annually as part of the Sustainability Statement (see Section 3.1). Performance in implementing the Climate strategy is also monitored by the Executive Committee, the EESDC and the Board of Directors. Progress in implementing the Group's Climate strategy is also shared at the annual results presentation at the Group's Shareholders' Meeting.

Environmental and societal performance is measured annually and presented to the Executive Committee and the EESDC, ahead of the Board of Directors. An internal control system, as well as a limited assurance procedure carried out by Statutory Auditors with regard to the Sustainability Statement, make it possible to control the implementation of the process.

Nature performance is monitored through a number of metrics and targets. The Group updated its act4nature international commitments in 2023. These commitments include targets relating to biodiversity, as well as to reducing fresh water consumption and withdrawals for energy production. The Group also has targets for reducing air pollution.

The Group has published several key metrics on the just transition in its 2024 integrated report. Negotiations began in 2023 between the trade union federations EPSU and IndustriAll and the employers' federation Eurogas to define a European agreement on the just transition in the gas sector. These negotiations were conducted under the European Commission, as part of its efforts to promote European sector-based dialogue. These discussions have now ended, without an agreement having been reached as yet.

In view of regulatory developments, particularly in Europe with the entry into force of the CSRD, ENGIE is gradually strengthening its risk analysis system, as well as the control tools, between 2024 and 2026.

3.2.1.4 Preventing and managing risks related to energy supply

The main challenges for the Group relating to energy supply (biomass, gas, LNG, etc.) are as follows:

ISSUES IN THE ENERGY SUPPLY CHAIN (PRODUCTION, TRANSPORTATION, ETC.)

Human rights	Environmental
• Forced labor, child labor (e.g., equipment production, mining) • Rights of local communities and indigenous peoples (e.g., land rights, right to free and informed consent, right to resources, right to health) • Health & safety of workers and local communities (e.g., impact of production operations, protective equipment, chemicals used, risk of explosion, emissions)	• Climate change (e.g., CO_2/methane emissions, carbon footprint, deforestation, use of fossil fuels) • Water scarcity and quality (e.g., use of drinking water, water requirements, overuse of water, use of chemicals) • Pollution of air, water or soil (e.g., chemicals, heavy metals, residues, waste management) • Biodiversity (e.g., risk to ecosystems, risks to flora and fauna, to ecological corridors, deforestation, use of agricultural land)

The Group has identified risks relating to the energy supply chain as a specific issue of vigilance for the Group. The entities responsible for these purchases manage these risks directly, in accordance with the Group's reporting rules and governance, and identify the risks specific to each of their activities by energy source, at the country and energy supplier level.

The Group's governance structure ensures that the duty of vigilance is included in decision-making processes. In particular, the Group has systematized the supply chain risk assessment approach, based on the 3P (People, Planet and Profit) approach.

More generally, entities implement the following prevention and risk management measures:

- entities adopt, where necessary, mitigation measures and contractual clauses adapted to the identified risks (e.g., specific performance clauses for the carbon footprint and methane emissions) in their contracts with suppliers;
- they include an ethics and ESG clause in their contracts, which allows them to terminate a contract in the event of a breach of these obligations by the third party;
- they apply the Human Rights Vigilance Policy, ethics due diligence policies, environmental and societal policies, as well as the Group's other policies;
- they ensure the ESG certification of certain suppliers and energy sources (e.g., biomass) as well as the presence of Guarantees of Origin;
- they carry out on-site audits at certain suppliers;
- they participate in bilateral or sector-specific ESG working groups, such as the Responsible Commodities Sourcing Initiative (RECOSI);
- they enter into gas procurement agreements that are compatible with the Group's carbon pathway;
- in relation to shale gas, the Group carries out extensive social and environmental due diligence and chooses, among producers, those who are able to offer guarantees that align with Group standards in terms of traceability of emissions and monitoring of the social and environmental performance of their activity;
- as part of its biomethane and biomass activities, ENGIE integrates products derived from the forestry and agricultural industries into its supply chain. With regard to biomass, ENGIE has defined a Forest Policy aimed at combating deforestation. All biomass imported by the Group into Europe is certified according to one of the voluntary systems recognized by the European Commission (mainly SBP), guaranteeing the sustainability of operations, environmental protection, and the safety of employees and local populations. Biomethane, on the other hand, can be derived from direct or indirect agriculture sources. ENGIE ensures that it complies with current legislation;
- the Group continues its strategy to withdraw from coal (in Europe by 2025 and worldwide by 2027).

Further information on the energy procurement process is available in Section 3.1.4.2. "Sustainable procurement."

3.2.1.5 Preventing and managing risks related to non-energy purchases

Non-energy purchases cover all equipment supply contracts and the provision of services and works. In this regard, the Group's procurement reference system uses the term "supplier" to refer to service providers (called "subcontractors") and equipment suppliers.

Governance

The Group Procurement Department, reporting to the Executive Vice President in charge of Finance, ESG and Procurement, is responsible for the Group's performance, sustainability and competitiveness, and the selection of high-performance, innovative suppliers who have a positive impact on sustainable development. The Procurement Department is organized at three levels, reflecting the Group's organization:

- the Procurement Department in charge of the management category defines the governance, tools and performance objectives of the functional line;
- GBU Procurement Directors are in charge of translating the growth ambitions of each of the four GBU into procurement objectives. They ensure the involvement and coordination of the Procurement Departments in GBU projects and operations;

- the regional hubs, led by a Regional Procurement Director, are responsible for organizing synergies and ensuring the standardization of processes across countries with the support of shared service centers. In France and in countries not covered by regional hubs, local procurement managers are in charge of operational procurement.

Risk mapping

The sustainability of procurement is based on three pillars:

- the impact of procurement on carbon emissions and climate. Procurement has a key role in achieving the Group's decarbonization commitments (Net Zero Carbon in 2045, well below 2°C pathway in 2030);
- the impact of procurement on nature;
- the human impact of procurement (inclusive procurement, impact on communities, human rights, health, etc.).

Six procurement categories are currently considered high risk in terms of human rights, health & safety and/or their environmental impact. These procurement categories are listed below:

PROCUREMENT CATEGORIES	SEVERE RISKS IDENTIFIED	ACTION PLANS
• **Solar panels** • **Battery Energy Storage Systems (BESS)**	**Human rights/Environment** **Environment/Human rights**	Strengthened contractual provisions, new suppliers located in lower-risk countries, ethics audits, industry initiatives, etc. (see Sections 3.2.1.1 and 2.2.5.1)
• **Wind power**	**Human rights/Environment**	Reinforced contractual provisions, ethics audits, industry initiatives, etc. (see Sections 3.2.1.1 and 2.2.5.1)
• **Electrical equipment**	**Human rights**	Social audits and search for new suppliers
• **Safety gear and clothing**	**Human rights**	Social audits and diversification (e.g. Brazil)
• **IT equipment** (computers, printers, etc.)	**Human rights**	Diversification of the supplier base through relocation to the United States and Europe
• Engineering, Procurement, and Construction **(EPC) turnkey contracts**	**Health & Safety/Human rights**	Stepped-up health & safety rules and exclusion of suppliers who fail to comply with them Ethical audits on construction sites

Since 2020, particular attention has been paid to purchases that may be linked to forced labor in China. The principal measures taken to identify and manage these risks are presented in Section 3.2.1.1.

Procurement Charter and risk management measures

The identification and management of risks are ensured by the implementation of ENGIE's procurement vigilance process through:

- risk mapping developed on the basis of data provided by the ESG partner EcoVadis (risks by industry and country risks) and analysis of the procurement categories carried out by the Category Managers network[1];
- a supplier selection process that relies, in particular, on an ESG assessment (EcoVadis), the implementation of the Due Diligence Policy (see Section 3.2.2), the implementation of associated management plans taking into identified risks, and the measurement of performance delivered by suppliers and associated improvement plans. These plans may include, for example, audits, special contractual provisions to limit risk, an ethics clause, etc.;
- a procurement management system structured around:
  - a Procurement Charter which defines ENGIE's commitments and requirements with regard to its suppliers in terms of human rights, health & safety, ethics and sustainability (carbon, environment, circularity),
  - a Procurement Governance document that sets out due diligence obligations for key suppliers of the Group, the implementation of the Code of Conduct in Supplier Relations, and an ethics risk analysis that must be carried out within each entity.

  These principles and rules are set out in the operational procurement processes that include the requirements of the Group's Ethics Code of Conduct, the ESG Policies, the Health & Safety Policy, the Code of Conduct in Supplier Relations, the Due Diligence Policy for Direct Suppliers and Subcontractors and internal subcontracting principles. These requirements apply to the Group's entire supply chain and are incorporated into the ethics clause template for all contracts regardless of size or duration;
- a whistleblowing and reporting system which is also open to persons outside the Group (see Section 3.2.3).

Specific initiatives are deployed throughout the Group. In the Middle East, for example, ENGIE runs a program to assess the living conditions of its suppliers' employees when they are housed in living bases.

Awareness-raising tools

A Procurement Academy provides a set of mandatory training courses for the Procurement functional line. Face-to-face and videoconferencing sessions are supplemented by the delivery of online modules via the Group's training intranet. The topics covered are sustainable development, ethics, hygiene, health & safety, human rights, management, diversity and IT security. As a group that is particularly exposed to ethical risks, all members of the Procurement functional line must follow an enhanced ethical training plan. In particular, this includes classroom-based training courses on "Ethics and Supplier Relations in Practice", "Human Rights" and three digital

(1) *Category Managers are responsible for managing one or more Group procurement categories. As such, they manage ENGIE's key suppliers and implement applicable contracts across all ENGIE entities.*

training modules: Fraud and Corruption, Zero Tolerance; Our Group, Our Ethics; and Competition Law. In 2024, 534 members of the Procurement functional line received ethics training, including 83 based in high-risk countries.

Performance monitoring and measurement

The proper implementation of these processes is verified via the INCOME internal control program (see Section 2.3). With 31 different controls, the INCOME PRO reference system covers all procurement processes. In 2024, the Group Procurement Department tightened the criteria for the application of internal controls, meaning that 42 additional subsidiaries were subject to the process. The compliance rate increased slightly in 2024, reaching 90% of INCOME controls.

Moreover, the Group Procurement Department works in partnership with the Internal Audit Department to ensure the monitoring of corrective action plans recommended by the latter.

More information is provided on ENGIE's website: https://www.engie.com/en/group/suppliers/sustainable-purchasing-policy.

3.2.2 Third-party assessment

Due diligence is carried out on third parties (suppliers, service providers, subcontractors, joint venture partners, contractors, etc.) under certain conditions and in line with due diligence policies, as described on ENGIE's website: https://www.engie.com/en/ethics-and-compliance/vigilance-plan/third-parties. In particular, depending on the type of supplier a first level of due diligence is carried out internally, using public databases or specialized tools. In accordance with these policies, in the event that this analysis reveals risks, ENGIE performs an in-depth due diligence (level 2) either via a team of experts under the oversight of the Group's Ethics, Compliance & Privacy Department or via external service providers.

In 2024, all of the partners in the Group's investment projects were subject to due diligence, including a systematic study of vigilance topics by the Ethics functional line.

Directly or indirectly, all Ethics Officers have access to a specialist due diligence tool. In 2024, the Group's Ethics & Compliance Officers and ethics correspondents declared more than 30,000 level one due diligence searches performed using the due diligence tools.

In addition, the Group's new preferred and major strategic suppliers are automatically assessed by the Procurement functional line via due diligence carried out before contracting takes place. The Group has set up a dedicated team in charge of carrying out the due diligence of key suppliers and has equipped itself with a new digital tool providing an ethical risk score covering five aspects: country risk, activities at risk, politically exposed persons, sanctions and controversies. ENGIE also uses EcoVadis for environmental aspects, human rights and ethics. In 2024, approximately 1,200 recurring key suppliers (Strategic, Preferred and Major), representing nearly 60% of total spending, were subject to due diligence procedures.

3.2.3 Whistleblowing and alert reporting system

The Group-wide Whistleblowing System and the results of alerts are presented and discussed regularly with the European Works Council and the World Forum (see section 3.2.4.2).

How it works

The Whistleblowing System has been open to all employees, both permanent or temporary, and to all external stakeholders, since January 2019. An external service provider forwards the anonymous report to the Group for processing. Further information on how the system operates can be found in Section 3.1.4.1.5 "Whistleblowing and reporting of ethics incidents."

Number of alerts

In 2024, 335 alerts were received via the system, 111 of which concern risk categories related to the duty of vigilance. They can be summarized as follows:

Allegations of harassment*	Allegations relating to health & safety	Allegations relating to working practices	Allegations of discrimination	Questions related to the environment and the rights of communities
59	14	15	23	0

* *There were 47 allegations of moral harassment and eight allegations of sexual harassment. 23 allegations of sexual harassment were also identified within the managerial system.*

As with all alerts, those relating to allegations of discrimination and harassment are dealt with, and when the facts are proven, disciplinary action is taken and action plans deployed.

3.2.4 Steering, governance and follow-up of Vigilance Plan deployment

3.2.4.1 Steering and follow-up at the highest corporate level

The Group has set up monitoring and overall coordination of the Vigilance Plan at the highest level to meet the law's objectives in an effective way. The plan was approved by the Executive Committee, which entrusted its management to the Ethics, Compliance & Privacy Department (ECPD), under the responsibility of the Group's Legal and Ethics Department, itself reporting to the Corporate Secretary. A report on the effective implementation of the plan is presented annually to the EESDC and to the Board of Directors.

A specific committee is responsible for the operational implementation of the plan. Its aim is to ensure that the plan is distributed and that information can be fed back. The members are:

Departments

ECPD	ESG	Procurement Department	Health & Safety Department	Security Department	HR Department	Internal control	Risk
REGIONS/OPERATIONAL MEMBERS (LEGAL AND ETHICS DEPARTMENT)							
South America	North America	France	Europe	AMEA (Asia, Middle East and Africa)	GEMS	Tractebel	

In addition, each entity must ensure that the Vigilance Plan has been effectively rolled out within its scope. Progress on these entity-level actions is integrated into the annual compliance report (see Section 3.1.4.1.7 "Controls and certifications").

3.2.4.2 Stakeholder relations

Internal stakeholders

The plan and progress made in its implementation are presented and regularly discussed with employee representative bodies at meetings of existing Group-level committees, such as the European Works Council. Social dialogue on the duty of vigilance also takes place at entity level. This approach was implemented when the first Vigilance Plan was adopted and is subject to internal control.

The duty of vigilance is also the subject of enhanced social dialogue within the framework of ENGIE's Global Agreement. The implementation of the Vigilance Plan is discussed at meetings of the Global Forum, the body responsible for monitoring the Agreement. A meeting is also held each year with the international trade union federations to discuss the draft Vigilance Plan before it is published. These exchanges also make it possible to monitor the vigilance approach in consultation with social partners.

Generally, for several years now the Group has been striving to strengthen the culture of social dialogue at all levels of the organization (local, national, European, global), particularly with regard to working conditions, including health & safety at work.

Further information is available in Section 3.1.3.2.3 "Working conditions and social dialogue".

External stakeholders

In order to prevent and manage the human rights, environmental and societal impacts of its activities as best as possible, ENGIE has adopted a specific Stakeholder Engagement Policy, as part of the Group's ESG policy. This policy can be consulted on the Group's website: https://www.engie.com/sites/default/files/assets/documents/2025-02/ENGIE%20-%20Stakeholder%20Engagement%20Policy.pdf. The Stakeholder Engagement Policy is deployed through internal tools for use by operating units. These tools are based on current international standards such as ISO 26000 and AA1000. Stakeholder commitment must therefore be guaranteed throughout the project life cycle. Each year, each operating site or activity assesses its level of dialogue with its stakeholders based on the Group-wide reference system. This self-assessment reference system is based on the AA1000 standard for stakeholder management developed by the NGO Accountability, an internationally recognized institution in the field of sustainability. Further information can be found in Section 3.1.3.5 “Affected communities”.

Lastly, the Group is committed to building a meaningful dialogue which each of its stakeholders. In 2021, the Group set up a Dialogue Committee with its stakeholders as well as a discussion forum (the Dialogue and Transition forum) to support sensitive projects. The Committee met twice – once in December 2024 and once in January 2025 – to discuss double materiality ahead of the implementation of the CSRD.

3.2.5 Duty of vigilance cross-reference table

Risk categories covered by the Vigilance Plan	Location in the URD
Risks related to human rights	• 3.1.1.4.2 “Material impacts, risks and opportunities” • 3.1.3 “Social information” • 3.1.4.1 “Ethics and business conduct” • 3.1.4.3.2 “Security of people, sites and information” • 3.2.1.1 “Preventing and managing risks related to human rights”
Risks related to the health & safety of individuals	• 3.1.1.4.2 “Material impacts, risks and opportunities” • 3.1.3.2.6 “Health & safety of workers” • 3.1.3.3 “Workers in the value chain (excluding energy)” • 3.2.1.2 “Preventing and managing risks related to health & safety in the workplace”
Environmental and societal risks	• 3.1.1.4.2 “Material impacts, risks and opportunities” • 3.1.2 “Environmental information” • 3.1.3 “Social information” • 3.2.1.3 “Preventing and managing environmental and societal risks
Risks related to purchases	• 3.1.1.4.2 “Material impacts, risks and opportunities” • 3.1.3.3 “Workers in the value chain (excluding energy)” • 3.1.3.4 “Workers in the value chain (energy)” • 3.1.4.2 “Sustainable procurement” • 3.2.1.4 “Preventing and managing risks related to energy supply” • 3.2.1.5 “Preventing and managing risks related to non-energy purchases”
The risks listed in this table	Section 2.2 “Risk factors”

Details of the categories above are provided on the Group’s website: https://www.engie.com/en/group/ethics-and-compliance/policies-and-procedures

4

CORPORATE GOVERNANCE

The information presented in this Chapter constitutes the report of the Board of Directors on corporate governance, prepared in accordance with the provisions of the final paragraph of Article L.225-37 and Articles L.22-10-8 *et seq.* of the French Commercial Code *(Code de commerce)*. The sections of the report relevant to the activities of the various Board committees were presented to them and approved by the Board of Directors at its meeting of February 26, 2025.

This report covers the membership of the Board of Directors, the conditions under which it prepares and structures its work, and any limits imposed by the Board of Directors on the powers given to the Chief Executive Officer. It also covers the Board's diversity policy. The changes in the membership of the Board of Directors proposed at the Shareholders' Meeting of April 24, 2025, are set out in Section 4.1.1.10. In Section 4.2 "Compensation and benefits of corporate officers and members of the Executive Committee," this report sets out the applicable provisions, principles and rules established to determine the compensation and benefits of any kind awarded to corporate officers.

ENGIE maintains its commitment to implementing corporate governance guidelines and for this purpose refers to the Afep-Medef Corporate Governance Code for listed companies published by Afep (French Association of Private Enterprises) and Medef (Movement of the Enterprises of France) (hereinafter the "Afep-Medef Code"), updated in December 2022 and available on the Afep (https://afep.com/publications/code-de-gouvernement-dentreprise-des-societes-cotees/) and Medef (https://www.medef.com/en) websites.

The information included in this Chapter constitutes elements that are also required for the preparation of the Sustainability Statement in accordance with European Sustainability Reporting Standards (ESRS) (see Section 3.1 “Sustainability Statement”). They are identified using a pictogram **[ESRS 2 - GOV]** and presented in the concordance table available in Section 3.1.5 "Appendices".

4.1 GOVERNANCE ORGANIZATION AND OPERATIONS

SEPARATION OF THE ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In 2016, the Board of Directors opted for a separate governance structure, a decision that has since been confirmed. On September 24, 2024, the Board of Directors expressed its intention to renew Catherine MacGregor in her role as Chief Executive Officer and decided to propose the renewal of her term of office as a Director at the Shareholders’ Meeting on April 24, 2025.

4.1.1 Membership of the Board of Directors

Pursuant to the provisions of Article L.225-17 of the French Commercial Code, ENGIE’s Board of Directors must be composed of at least three Directors. Article 13 of the Company’s bylaws (https://www.engie.com/en/by-laws-ENGIE) sets the maximum number of Directors and provides that three Directors representing employees (pursuant to Articles L. 22-10-5 and L. 22-10-6 of the French Commercial Code) and one Director representing employee shareholders be appointed.

The Directors serve a four-year term. The terms of office for Directors expire at the close of the Shareholders' Meeting convened in the year during which the term expires and called to approve the financial statements for the previous year.

The term of office of Lord Peter Ricketts of Shortlands expired at the Shareholders' Meeting on April 30, 2024 and was not renewed at his request. At the same Shareholders' Meeting, Michel Giannuzzi was appointed as a Director and the term of office of Fabrice Brégier was renewed.

On the date of this report, the Company is administered by a Board of Directors composed of 14 members, including:

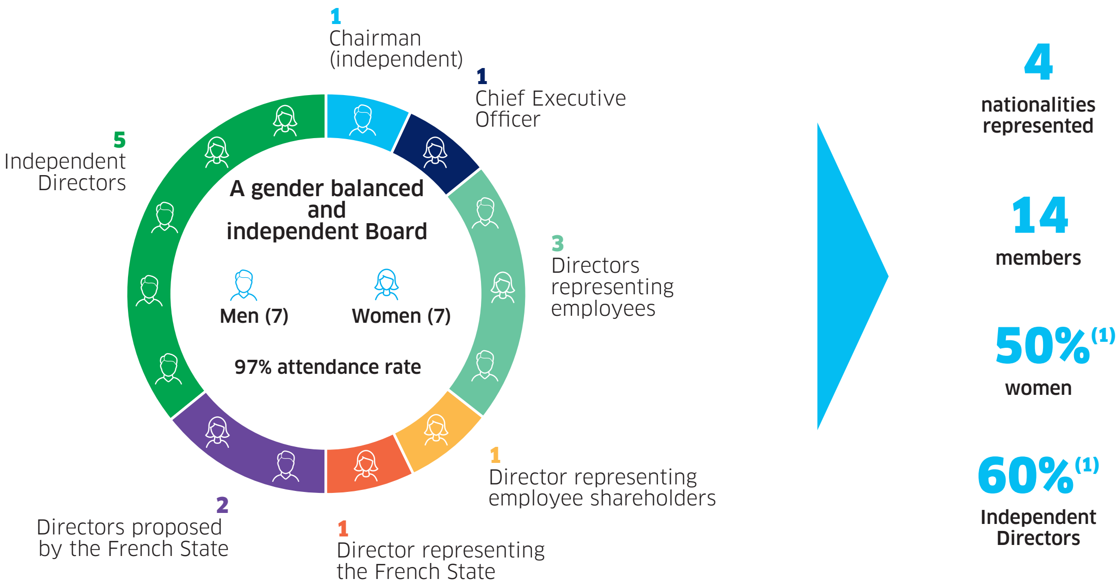
- seven Directors appointed by the Shareholders’ Meeting pursuant to the provisions of Article L.225-18 of the French Commercial Code;
- one Director representing the French State, appointed by decree under Article 4 of Ordinance 2014-948 of August 20, 2014;
- two Directors appointed by the Shareholders' Meeting on the recommendation of the French State pursuant to Article 6 of Ordinance No. 2014-948 of August 20, 2014, in view of the French State's interest in ENGIE's share capital;
- three elected Directors representing employees (pursuant to Articles L. 22-10-6 *et seq.* of the French Commercial Code and Article 13.3 of the Company's bylaws);
- one Director representing employee shareholders (pursuant to Article L. 22-10-5 of the French Commercial Code and Article 13.3 of the Company's bylaws) appointed by the Shareholders' Meeting.

The Board of Directors has six Independent Directors, including the Chairman of the Board of Directors (see Sections 4.1.1.1 "Profiles, experience and expertise of Directors in office," and 4.1.1.5 "Independence of Directors in office"). This means that the percentage of Independent Directors is 60%, it being specified that, pursuant to the Afep-Medef Code, the Directors representing employees and employee shareholders are not taken into account in the calculation of the percentage of independent Directors.

When one or more Directors' seats become vacant, and after ascertaining the size of the Board of Directors, the Appointments, Compensation and Governance Committee (ACGC), with the support of the Chairman of the Board of Directors, defines, the profile required in light of the adequacy of the Board's membership in respect of the Group's activities, challenges and strategic plans, as reflected in the diversity policy for members of the Board of Directors (see Section 4.1.1.8) **[ESRS 2 - GOV-1].**

Photograph taken during the Board of Directors meeting held on December 18, 2024.
From left to right:
In the first row: Michel Giannuzzi, Marie-José Nadeau, and Fabrice Brégier
In the second row: Jean-Pierre Clamadieu (Chairman) and Catherine MacGregor (Chief Executive Officer)
In the third row: Marie-Claire Daveu and Ross McInnes
In the fourth row: Gildas Gouvazé (SEC representative) and Lucie Muniesa
In the fifth row: Céline Fornaro, Christophe Agogué, Magali Viot and Patrice Durand
In the last row: Sophie Mourlon (Government Commissioner), Yoan Kosnar and Jacinthe Delage

As of the date of this report, the key features of the Board of Directors membership are the following:



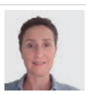
(1) *Pursuant to the applicable rules of the French Commercial Code and the Afep-Medef Code, in assessing the ratio of women to men and the percentage of Independent Directors on the Board of Directors, the law stipulates that Directors representing employees or employee shareholders are not counted.*

CHANGES IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2024

	Departure	Appointment	Renewal
Board of Directors	Lord Peter Ricketts of Shortlands (04/30/2024)	Michel Giannuzzi (04/30/2024)	Fabrice Brégier (04/30/2024)
Audit Committee	-	Michel Giannuzzi (05/16/2024)	
ITC[1]	-	-	-
ACGC[2]	Lord Peter Ricketts of Shortlands (04/30/2024)	Michel Giannuzzi (04/30/2024)	Fabrice Brégier (04/30/2024)
EESDC[3]	-	-	-

(1) *Investment and Technology Committee.*
(2) *Appointments, Compensation and Governance Committee.*
(3) *Ethics, Environment and Sustainable Development Committee.*

SUMMARY PRESENTATION OF THE BOARD OF DIRECTORS

First and last name, gender[(1)] and age		Nationality	Number of ENGIE shares held[(2)]	Number of offices in other listed companies (excl. ENGIE)	Independent Director	Date of initial appointment	Expiration of term	Seniority on the Board[(3)]	Participation in Board committees
Jean-Pierre Clamadieu M, 66			50,000	2	•	05/18/2018	2026	6	Chairman of the ITC ACGC[(4)]
Catherine MacGregor F, 52			106,000	1	x	05/20/2021	2025	3	ACGC[(4)] ITC[(4)] CEEDD[(4)]
Fabrice Brégier M, 63			2,500	2	•	05/03/2016	2028	8	ACGC
Marie-Claire Daveu F, 53			2,000	1	•	04/21/2022	2026	2	Chair of the EESDC
Michel Giannuzzi M, 60			2,500	2	•	04/30/2024	2028	0	Audit Committee ACGC
Ross McInnes M, 70			4,900	2	•	05/18/2018	2026	6	Chair of the Audit Committee EESDC ITC
Marie-José Nadeau F, 71			5,600	0	•	04/28/2015	2027	9	Chair of the ACGC Audit Committee ITC
Céline Fornaro F, 48			0	3	x	03/14/2023	2027	1	Audit Committee ITC ACGC
Patrice Durand M, 71			3,000	0	x	12/14/2016	2027	8	ITC
Lucie Muniesa F, 49			0	0	x	04/26/2023	2027	1	EESDC
Christophe Agogué M, 63			125	0	N/A	05/18/2018	2026	6	Audit Committee
Yoan Kosnar M, 49			204	0	N/A	04/21/2022	2026	2	ITC
Magali Viot F, 53			39	0	N/A	04/21/2022	2026	2	EESDC
Jacinthe Delage F, 48			1,719	0	N/A	05/20/2021	2025	3	ACGC

(1) *Female (F), Male (M).*
(2) *Directors co-opted or elected by the Shareholders' Meeting on the recommendation of the French State, the Director representing the French State and the Directors representing employees or employee shareholders are exempt from the requirement to own shares in the Company (see Section 4.1.2.1 "Organization and Chairmanship").*
(3) *In years elapsed.*
(4) *Attends this committee, or these committees, without being a member.*

4.1.1.1 Profiles, experience and expertise of Directors in office

Directors elected by the Shareholders' Meeting (7)

JEAN-PIERRE CLAMADIEU

Chairman of the Board of Directors

- **Chairman of the Investment and Technology Committee**
- **Attends without being a member the meetings of the Appointments, Compensation and Governance Committee**

Age: 66

Nationality: French

First appointment: May 18, 2018

Expiration of term: 2026

Shares held: 50,000 shares

Business address:
ENGIE
1, place Samuel-de-Champlain
92400 Courbevoie

Jean-Pierre Clamadieu is a graduate of the *École nationale supérieure des mines de Paris* and an engineer of the *Corps des mines*. He began his career within the French administration, particularly working for the Ministry of Industry and as technical advisor to the Minister of Labor. In 1993, he joined the Rhône-Poulenc group where he held several management positions. In 2003, he was appointed Chief Executive Officer of the Rhodia group, and then Chairman and CEO in 2008. Following the merger of the Rhodia and Solvay groups, Jean-Pierre Clamadieu was appointed in May 2012 as Chairman of the Solvay Executive Committee and CEO of Solvay, a position he held until 2019. On May 18, 2018, he was appointed Director and Chairman of the Board of Directors of ENGIE. His term of office was renewed on April 21, 2022. On October 8, 2020, he was also appointed Chairman of the Board of Directors of the ENGIE Foundation.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Director of companies

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in Group companies

- Chairman of the Board of Directors of the ENGIE Foundation

Offices and positions in companies outside the Group

- Director of Airbus(1) – Member of the Appointments, Compensation and Governance Committee, and Chairman of the Ethics, Compliance and Sustainable Development Committee
- Director of TE Connectivity(1) – member of the Appointments, Governance and Compliance Committee
- Chairman of the Board of Directors of the National Opera of Paris
- Director of France Industrie
- Chairman of Fondation CGéniale

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Vice-Chairman of the Executive Committee of the World Business Council for Sustainable Development (Switzerland)
- Lead Independent Director of AXA(1) – Chairman of the Compensation, Governance and Sustainable Development Committee (until 2023)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/Climate, Social and Governance
- Energy sector
- Industrial sector
- Public policies
- International experience

(1) Listed company.

Age: 52

Nationality: French

First appointment:
May 20, 2021

Expiration of term:
2025

Shares held:
106,000 shares

Business address:
ENGIE
1, place Samuel-de-Champlain
92400 Courbevoie

CATHERINE MACGREGOR

Director

Chief Executive Officer

- **Attends without being a member the meetings of the Appointments, Compensation and Governance Committee**
- **Attends without being a member the meetings of the Investment and Technology Committee**
- **Attends without being a member the meetings of the Ethics, Environment and Sustainable Development Committee**

Catherine MacGregor joined the ENGIE Group on January 1, 2021, as Chief Executive Officer, after having spent her entire career in the energy sector. Catherine MacGregor is an engineer and a graduate of the *École Centrale de Paris (CentraleSupélec)*. Before joining the ENGIE Group in January 2021, she held various executive positions in the energy sector. From 2019 to 2020, she was a member of the Executive Committee of TechnipFMC and directed the engineering entity, Technip Energies. She notably prepared its IPO. Previously, Catherine MacGregor worked for 23 years for Schlumberger where she held a variety of roles (chair of the drilling group, chair in charge of Europe and Africa, deputy chair of the group's human resources, etc.) in different geographic areas (Republic of Congo, United States, United Kingdom, Malaysia, etc.). In 2023, Catherine MacGregor joined Microsoft's Board of Directors as an Independent Director.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

None

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Member of the Club of Partners of the Toulouse School of Economics
- Director of Afep
- Director and member of the *Association française des entreprises pour l'environnement* (EpE)
- Director of Microsoft Corporation[1] (United States) – Member of the Environment, Social and Public Policy Committee, member of the Compensation Committee

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of the ENGIE Foundation (until 2023)
- Member of the Executive Committee of the World Business Council for Sustainable Development (Switzerland) (until 2023)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/Climate and Social
- Digital/AI
- Energy sector
- Industrial sector
- International experience

(1) Listed company.

Age: 63

Nationality: French

First appointment:
May 3, 2016

Expiration of term:
2028

Shares held:
2,500 shares

Business address:
SCOR
5, Avenue Kléber
75795 Paris Cedex 16

FABRICE BRÉGIER

Director

- **Member of the Appointments, Compensation and Governance Committee**

Fabrice Brégier is a graduate of the *École polytechnique* and Chief Engineer at the *Corps des mines*. He began his career at the Ministry of Industry and Trade's Alsace office, before being appointed Sub-Director of Economic, International and Financial Affairs within the Directorate-General for Food at the French Ministry of Agriculture in 1989. After serving as an advisor to several French ministers from 1989 to 1993, Fabrice Brégier joined Matra Défense and became Chief Executive Officer of MBD/MBDA in 1998. Before joining the Executive Committee of Airbus in 2005, he served as Chairman and Chief Executive Officer of Eurocopter from 2003 to 2005. Fabrice Brégier has 20 years' experience in the aerospace and defense industries. He has spent a large part of his career with the Airbus Group serving successively as Deputy Chief Executive Officer of Airbus from 2006 to 2012, Chairman and Chief Executive Officer of Airbus from 2012 to 2017 and, lastly, Chairman of Airbus Commercial Aircraft and Chief Operating Officer of Airbus Group from 2017 to 2018. Fabrice Brégier served as Chairman of Palantir Technologies France between October 2018 to May 2024. He was appointed Chairman of the Board of Directors of SCOR on June 25, 2023.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Chairman of the Board of Directors of SCOR

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Director of KK Wind Solutions (Denmark)
- Chairman of the Board of Directors of SCOR[(1)] – Chairman of the Strategic Committee, Chairman of the Crisis Management Committee, member of the Accounts and Audit Committee and member of the Risk Committee
- Director of Safran[(1)] – Member of the Innovation, Technology and Climate Committee

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Chairman of Palantir Technologies France (until 2024)

AREAS OF EXPERTISE

- Administration and management of large companies
- Finance
- Digital/AI
- Industrial sector

(1) Listed company.

Age: 53

Nationality: French

First appointment:
April 21, 2022

Expiration of term:
2026

Shares held:
2,000 shares

Business address:
KERING
40, rue de Sèvres
75007 Paris

MARIE-CLAIRE DAVEU

Director

- **Chair of the Ethics, Environment and Sustainable Development Committee**

A graduate of the *École nationale du génie rural, des eaux et des forêts* (ENGREF, part of IPEF), Marie-Claire Daveu also holds a DESS (*Diplôme d'études supérieures spécialisées* – French diploma of higher specialized studies) in public management from Université Paris Dauphine. She began her career in 1997 at the Departmental Directorate of Agriculture and Forestry in the Manche department in France. In 2001, she joined the Ministry for Planning and the Environment. In 2002, she was appointed Technical Advisor for Ecology and Sustainable Development in the Office of Prime Minister, then Chief of Staff to the Minister of Ecology and Sustainable Development in 2004. In 2005, she became Director of Sustainable Development at the Sanofi-Aventis Group. In 2007, she was appointed Chief of Staff, first at the office of the Secretary of State for Ecology, then at the office of the Secretary of State for Outlook and Digital Development, and then at the Ministry of Ecology, Sustainable Development, Transport and Housing. In 2012, she joined the Kering Group and was appointed Director of Sustainable Development and International Institutional Relations. She is a member of the Group's Executive Committee.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Chief Sustainability and International Institutional Affairs Officer at Kering

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Director of Crédit Agricole[(1)] - Member of the Risk Committee, member of the Compensation Committee and member of the Strategic and Societal Commitment Committee of the Company
- Member of the Supervisory Board of the Compagnie du Ponant
- Director at Indosuez Wealth Management

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director at Crédit Agricole CIB – Member of the Compensation Committee (until 2020)
- Director at SPAC Transition[(1)] (until 2022)
- Director at Albioma[(1)] – Chair of the Social Responsibility Committee (until 2022)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/climate, Social and Governance
- Digital/AI
- Energy sector
- Public policies
- International experience

(1) Listed company.

Age: 60

Nationality: French

First appointment:
April 30, 2024

Expiration of term:
2028

Shares held:
2,500 shares

Business address:
VERALLIA
31, place des Corolles
92400 Courbevoie

MICHEL GIANNUZZI

Director

- **Member of the Appointments, Compensation and Governance Committee**
- **Member of the Audit Committee**

Michel Giannuzzi was Chief Executive Officer of Verallia from 2017 to 2022. Since 2022, he has been the Chairman of the Board of Directors. Thanks to the development and implementation of a successful value creation strategy, he successfully led Verallia's IPO on the Euronext Paris market in October 2019. Previously, he served as Chairman of the Executive Board of Tarkett, a world leader in innovative floor covering and sports surface solutions, from 2007 to 2017. During his time in office, he implemented a profitable and sustainable growth strategy, leading to Tarkett's IPO on the Euronext Paris market in 2013. Previously, Michel Giannuzzi held several senior management positions within the Michelin and Valeo groups. He is a graduate of *École polytechnique* and Harvard Business School.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

- Chairman of the Board of Directors of Verallia

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Chairman of the Board of Directors of Verallia[(1)] – Chairman of the Strategic Committee and member of the Sustainable Development Committee
- Director of Peugeot Invest[(1)] – member of the Governance, Compensation and Appointments Committee and member of the Investments and Shareholdings Committee
- Director of Daher - member of the Audit Committee and member of the Strategic Committee
- Director of Factory Mutual Insurance Company (FM Global) – member of the Audit Committee and member of the Compensation and Organizational Development Committee

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Chairman and Chief Executive Officer of Verallia[(1)] (until 2022)
- Director of Kaufman & Broad[(1)] (until 2024)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/Climate and Governance
- Finance
- Industrial sector
- International experience

(1) Listed company.

ROSS MCINNES

Director

- **Chairman of the Audit Committee**
- **Member of the Investment and Technology Committee**
- **Member of the Ethics, Environment and Sustainable Development Committee**

Age: 70

Nationality: French and Australian

First appointment: May 18, 2018

Expiration of term: 2026

Shares held: 4,900 shares

Business address: SAFRAN
2, boulevard du Général-Martial-Valin
75015 Paris

A graduate of the University of Oxford, Ross McInnes began his career in 1977 with Kleinwort Benson in London and then in Rio de Janeiro. In 1980, he joined Continental Bank (which became Bank of America) where he successively held several positions in corporate finance operations, first in Chicago and then in Paris. In 1989, Ross McInnes joined Eridania Beghin-Say, where he was appointed Chief Financial Officer in 1991, and a member of the Board of Directors in 1999. The following year, Ross McInnes joined Thomson-CSF (now Thales) as Senior Vice President and Chief Financial Officer and worked on the transformation of the Group until 2005. He then joined the PPR Group (now Kering) as Senior Vice President for Finance and Strategy, then became a member of the Supervisory Board of Générale de Santé in 2006. He temporarily chaired the Management Board of Générale de Santé from March until June 2007. He also held the position of Vice-Chairman of Macquarie Capital Europe, specializing primarily in network investments. In March 2009, Ross McInnes joined Safran and became Executive Vice President, Economic and Financial Affairs in June of that year. He served as a member of the Safran Management Board from July 2009 to April 2011, then as Deputy Chief Executive Officer until April 2015. On April 23, 2015, he became Chairman of the Safran Board of Directors. In February 2017, he joined SICOM, the general partner of VIVESCIA Industries, as a "qualified person." From February of 2015 to November 2024, Ross McInnes also served as Special Representative for economic relations with Australia, appointed by the Minister for Europe and Foreign Affairs in the context of French economic diplomacy. From November 2016 to November 2019, he was a member of the High Committee on Corporate Governance. In October 2017, the French Prime Minister appointed Ross McInnes Co-Chairman of the Public Action 2022 Committee to propose actions to reform public policies. The Committee has since achieved its goals.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Chairman of the Board of Directors of Safran

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Chairman of the Board of Directors of Safran(1)
- Lead Director at Lectra(1) (until April 2025)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director at Lectra(1) (until 2020)
- Director at Eutelsat Communications(1) (until 2022)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/Climate and Governance
- Finance
- Industrial sector
- International experience

(1) Listed company.

Age: 71

Nationality: Canadian

First appointment:
April 28, 2015

Expiration of term:
2027

Shares held:
5,600 shares

Business address:
ENGIE
1, place Samuel-de-Champlain
92400 Courbevoie

MARIE-JOSÉ NADEAU

Director

- Chair of the Appointments, Compensation and Governance Committee
- Member of the Investment and Technology Committee
- Member of the Audit Committee

Marie-José Nadeau is an expert on the energy sector. She is an honorary Chair of the World Energy Council, which she chaired from 2013-2016, after being a Director there for 15 years. Moreover, Marie-José Nadeau has more than 20 years' experience as a top executive and has served as a member of audit committees for 10 years. A trained attorney who holds a master's degree in public law from the University of Ottawa, she assumed strategic functions in the Canadian and Quebec governments before serving as Corporate Secretary and Executive Vice President at Hydro-Québec (Canada). She is also the Vice-Chair of the Board of Directors of Alto (formerly Via HFR – Via TGF), a Canadian company responsible for the development and network of a high-speed rail service over a 1,000-km distance between the cities of Québec and Toronto. In 2009, she was awarded the title of Advocatus Emeritus by the Quebec Bar for her contribution to the legal profession. In 2016, she was received as a member of the Order of Canada in recognition for her commitment to education and the environment.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Director of companies

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Director – Vice-President of Via HFR – Via TGF (Canada)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of Metro Inc.[1] (Canada) – Chair of Governance and Appointments Committee and member of the Compensation Committee (until 2020)
- Director of the Electric Power Research Institute (United States) (until 2023)
- Director of Trans Mountain Corporation (Canada) (until 2024)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Environmental/Climate and Governance
- Energy sector
- Industrial sector
- International experience

(1) Listed company.

Director representing the French State, appointed by decree

Age: 48

Nationality: French and Italian

First appointment: March 14, 2022

Expiration of term: 2027

Shares held: 0 shares

Business address: Agence des Participations de l'État 139, rue de Bercy 75572 Paris Cedex 12

CÉLINE FORNARO

Director representing the French State, appointed by decree

- **Member of the Audit Committee**
- **Member of the Investment and Technology Committee**
- **Member of the Appointments, Compensation and Governance Committee**

Céline Fornaro is a former student of the *École nationale de l'aviation civile* (French School of Civil Aviation) (class of 1997) and an MSc graduate of the College of Aeronautics at Cranfield University (United Kingdom). She began her career in 2000 as Marketing and Product Manager in aircraft sales at Embraer. In 2004, she joined Bank of America Merrill Lynch and was promoted to head up the research team in Aeronautics, Defense and Satellites in 2009. In 2016, Céline Fornaro joined UBS as Managing Director of European Industrials Equity Research in aerospace, equipment and new energy sources. This professional experience enabled her to acquire thorough knowledge of investment banking and the finance, equipment, aerospace and transport sectors, with a global vision of these sectors in the medium and long term. Céline Fornaro, previously Chief Financial Officer of *Agence des Participations de l'État* (APE), was appointed Deputy Chief Executive of the APE on October 1, 2023.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Deputy Chief Executive Officer of the Agence des Participations de l'Etat

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

- Director of Safran(1) representing the French State – member of the Audit and Risk Committee and member of the Appointments and Compensation Committee
- Director of Air France – KLM(1) representing the French State – member of the Audit Committee, member of the Compensation Committee and member of the Appointments and Governance Committee
- Director of Orange(1) representing the French State – member of the Audit & Risks Committee
- Member of Chatham House, the Royal Institute of International Affairs (United Kingdom)
- Member of the Royal Aeronautical Society (United Kingdom)
- Member of Women on Boards (United Kingdom)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of EDF(1) representing the French State (until 2022)
- Director of RATP representing the French State (until 2023)

AREAS OF EXPERTISE

- Administration and management of large companies
- ESG: Social and Governance
- Finance
- Industrial sector
- Public policies
- International experience

(1) Listed company.

Directors appointed by the Shareholders' Meeting on the recommendation of the French State (2)

Age: 71

Nationality: French

First appointment:
December 14, 2016

Expiration of term:
2027

Shares held:
3,000 shares

Business address:
ENGIE
1, place Samuel-de-Champlain
92400 Courbevoie

PATRICE DURAND

Director appointed by the Shareholders' Meeting on the recommendation of the French State

- **Member of the Investment and Technology Committee**

A graduate of the *École polytechnique* and of the *École nationale d'administration*, Patrice Durand began his career in 1978 as Sub-Prefect, Director of the Office of the Prefect of Eure-et-Loir and then the Haute-Normandie region (France) in 1979. From 1981 to 1994, he served successively as head of mission in the Directorate-General of Administration at the French Ministry of the Interior, Deputy Corporate Secretary and Corporate Secretary of the Paris Club; Head of the Office of Energy, Transport, and Mines and Secretary of the Economic and Social Development Fund, Head of Capital Goods and Other Investments and Deputy Director of Treasury Management. In 1994, he became Executive Vice President, then in 1995, Deputy CEO in charge of economic and financial affairs at Air France. From 1999 onwards, he was a member of the Executive Committee, in charge, among other things, of the finances of the Central Risk Management, General Inspection, Legal Affairs, Asset Management, IT and Processing departments, before becoming Deputy CEO of the Crédit Lyonnais Group in 2002. In 2003, he was also named Director of Operations and Logistics and a member of the Executive Committee of Crédit Agricole S.A. In 2005, he joined Thales as Deputy CEO in charge of finance and administration. From 2012 to 2015, he was Deputy CEO in charge of finance and operations at the Ingenico Group. Since 2016, he has served as a Director of French and foreign companies.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Director of companies

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

None

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

None

AREAS OF EXPERTISE

- Administration and management of large companies
- Finance
- Industrial sector
- Public policies
- International experience

Age: 49

Nationality: French

First appointment: April 26, 2023

Expiration of term: 2027

Shares held: 0 shares

Business address:
PAPREC
128, boulevard Haussmann
75008 Paris

LUCIE MUNIESA

Director appointed by the Shareholders' Meeting on the recommendation of the French State

- **Member of the Ethics, Environment and Sustainable Development Committee**

A graduate of the *École nationale de la statistique et de l'administration économique* (ENSAE), a Paris school specializing in economics, sociology and statistics, Lucie Muniesa began her career at INSEE (French national institute of statistics and economic studies), before being appointed deputy manager of the Merger and Aid department at the French ministerial General Directorate for Competition Policy, Consumer Affairs and Fraud Control in 2002. She joined the APE in 2004, as deputy manager of the Energy, Chemicals and other investments and La Poste – France Telecom divisions, before being appointed Corporate Secretary of APE in 2007. In 2010, Lucie Muniesa joined Radio France as Chief Financial Officer and then Executive Vice President in charge of finance, purchasing, legal and development of own resources, before becoming Director and Deputy Corporate Secretary of the French Ministry of Culture and Communications in 2014. In February 2016, Lucie Muniesa was appointed Deputy Chief Executive Officer of APE. From 2018 to 2020, she was Chief of Staff for the French Minister of Culture and from 2020 to March 2022, she was Chief of Staff for the French Minister Delegate for Foreign Trade and Attractiveness at the Ministry for Europe and Foreign Affairs. In April 2022, she joined the PAPREC Group, the French leader in recycling and the second largest waste management operator in France, as Director of Sustainable Development, Compliance and Institutional Affairs.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Director of Sustainable Development, Compliance and Institutional Affairs at PAPREC

CURRENT OFFICES AND POSITIONS HELD

- Member of the Supervisory Commission of the Caisse des Dépôts et Consignations (until 2024)
- Member of the SNCF Stakeholders' Committee (until 2024)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

None

AREAS OF EXPERTISE

- ESG: Environmental/Climate and Governance
- Finance
- Public policies

Directors elected to represent employees (3)

Age: 63

Nationality: French

First appointment:
May 18, 2018

Expiration of term:
2026

Shares held:
125 shares

Business address:
GRDF
17, rue des Bretons
93210 Saint-Denis

CHRISTOPHE AGOGUÉ

Director elected by employees, sponsored by the CFE-CGC Federation

- **Member of the Audit Committee**

Christophe Agogué is a graduate of HEC with a specialization in finance. In 1986, he joined EDF where he was responsible for negotiations with COGEMA on the reprocessing of used fuel. After a period in the head office, he was responsible for management and subsequently served on the Management Board of the subsidiary Nersa, in charge of the Superphénix reactor. In 2001, he moved to Gaz de France where he led the fixed assets department and participated in the operations to buy back the transport network from the French State, and in the initial studies on regulating infrastructure activities. Having joined GRDF at its inception, he worked on the construction of several transmission tariffs. He has held union positions on behalf of CFE-Énergies since 2009. He has been the union representative to the Central Works Committee of GRDF and to the ENGIE France Group Committee and the secretary for his local Works Committee. Since 2018, he has advised GRDF's Regulation and Economy Department on finance matters.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

Member of the French Strategic Committee of the New Energy Systems Industry (Comité Stratégique de Filière Nouveaux Systèmes Énergétiques, CSF NSE) for CFE-CGC since 2022

Author of philosophical and sociological essays, novels and plays

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in companies outside the Group

None

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Director of ENGIE Rassembleurs d'Energie (until 2022)

AREAS OF EXPERTISE

- ESG: Social and Governance
- Finance
- Energy sector

Age: 49

Nationality: French

First appointment:
April 21, 2022

Expiration of term:
2026

Shares held:
204 shares

Business address:
ENGIE Énergie Services
1, place Samuel-de-Champlain
92400 Courbevoie

YOAN KOSNAR

Director elected by employees, sponsored by the Chemical Energy Federation – French Democratic Confederation of Labour trade union (CFDT)

- **Member of the Investment and Technology Committee**

With a BTS (French higher technical certificate) in Water Management and Control, specializing in wastewater, Yoan Kosnar began his career in maintenance and quality control at a mutual healthcare establishment. He then joined the Group in 2007 as Site Manager at ENGIE Energies Services S.A. (Cofely) and while maintaining his operational activity, he has supported the national CFDT coordinator with social dialogue for the ENGIE Group since 2017. Yoan Kosnar was appointed employee representative in 2011, then trade union representative and member of ENGIE European Works Council. He holds the Corporate Director Certificate, issued by Sciences Po Executive Education and the French Institute of Directors (63rd graduating class, 2023).

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

None

CURRENT OFFICES AND POSITIONS HELD

None

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

Within the ENGIE Energies Services S.A. scope

- Member of the SEC representing the West and Treasurer of the SEC (until 2022)
- Local Representative (until 2022)
- Member of Central SEC (until 2022)
- Trade Union Representative for the institution (until 2022)
- Gender-based harassment contact (until 2022)

At the Group level

- Member of the European Works Council (until 2022)

AREAS OF EXPERTISE

- ESG: Environmental/Climate, Social and Governance
- Digital/AI
- Energy sector
- Public policies

Age: 53

Nationality: French

First appointment:
April 21, 2022

Expiration of term:
2026

Shares held:
39 shares

Business address:
ELENGY
Zone portuaire
BP 35 44550
Montoir-de-Bretagne

MAGALI VIOT

Director elected by employees, sponsored by the National Federation of Mines and Energy – CGT trade union

- **Member of the Ethics, Environment and Sustainable Development Committee**

Magali Viot is an employee at Elengy, seconded for employee representation mandates since the beginning of 2014. Following her Baccalaureate Diploma, she joined the EDF-GDF in 1996 as a customer advisor in the Electricity and Gas Services Department (EGSD). In 2009, Magali Viot successfully completed professional retraining through a work-study contract and obtained a Certificate of Professional Qualification (CQP) in industrial maintenance, which enabled her to become a High-voltage Maintenance Technician. In 2012, she joined the maintenance planning and management division at the Montoir-de-Bretagne terminal before dedicating herself full time to her employee representation mandates in 2014.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

None

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in Group companies

- Director representing employees of Elengy

Offices and positions in companies outside the Group

- Member of the Strategic Committee for the New Energy Systems Sector, which was mandated by the CGT, a major French labor union
- Member of the Sectoral Dialogue Committee on Gas of the European Commission, which was mandated by the FNME-CGT (*Fédération nationale des mines et de l'énergie* – CGT)

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Elected member of the Social and Economic Committee (SEC) at Elengy (until 2022)
- SEC Secretary at Elengy (until 2021)
- Member of the Health & Safety and Working conditions Commission (until 2022)

AREAS OF EXPERTISE

- ESG: Environmental/Climate and Social
- Energy sector
- Public policies

Director appointed by the Shareholders' Meeting to represent employee shareholders (1)

JACINTHE DELAGE

Director appointed by the Shareholders' Meeting to represent employee shareholders, on the recommendation of the Link France mutual fund (FCPE), and sponsored by the Group's Association of Employee and Former Employee Shareholders (AG2S)

- **Member of the Appointments, Compensation and Governance Committee**

Age: 48

Nationality: French

First appointment: May 20, 2021

Expiration of term: 2025

Shares held: 1,719 shares

Business address:
ENGIE
1, place Samuel-de-Champlain
92400 Courbevoie

Jacinthe Delage has several post-graduate legal degrees in economic and environmental law and holds an administrator's certificate from ESSEC. After working in companies such as Novergie and Neuf Cegetel as an attorney, she joined ENGIE Cofely in April 2007 as a business development attorney in the South-West region. She then held various successive legal positions within the Group between February 2009 and January 2016 in the *Compagnie parisienne de chauffage urbain* (CPCU), the Corporate Competition and Regulation department and the Corporate Secretariat of the France BtoB BU. In November 2018, she became Head of the Legal Department of ENGIE Réseaux, which specializes in heating and cooling networks in France and in January 2021, she was appointed Head of the Network Energy Division within ENGIE Solutions' Legal and Ethics Department. In 2021, she became the representative of AG2S list unit-holders on the Supervisory Board of the Link France mutual fund (FCPE). On September 1, 2023, she took on an operational role as Regional Director Normandy Center within ENGIE Solutions France.

PRINCIPAL ACTIVITIES OUTSIDE THE COMPANY

None

CURRENT OFFICES AND POSITIONS HELD

Offices and positions in Group companies

- Member of the Management Committee of the Center West region of ENGIE Solutions France
- Chief Executive Officer of DUNoise Energie Services (DUNES), Maromme Bio Energie Services (MBES), Réseau de chaleur de biomasse de l'Aigle (RECBIA), Sens Bio Energie Services (SEBS), Distribution de Chaleur de Mont-Gaillard (SDCMG) and Tours Métropole Energies Durables (TMED)

Other offices and positions outside the Group

- Chair of the AG2S Association since 2024

OFFICES THAT HAVE EXPIRED IN THE LAST FIVE YEARS

- Member of the Management Committee of SAS GéoMarne (until 2023)
- Member of the Management Committee of the Île-de-France region for the Main Networks and Mobilities entity of ENGIE Solutions France (until 2023)
- Director of the AG2S Association (until 2023)
- Chief Executive Officer of Bio Cogelyo Normandie (BCN) and FICOBEL (Group companies)

AREAS OF EXPERTISE

- ESG: Environmental/Climate and Governance
- Energy sector
- Public policies

4.1.1.2 Government Commissioner

In accordance with Article L.111-70 of the French Energy Code, the Minister for Energy appoints a Government Commissioner to the Company who attends meetings of the Board of Directors and the committees in an advisory capacity and may present his/her observations to any Shareholders' Meeting.

Sophie Mourlon, French Director-General for Energy and Climate at the Ministry of Energy Transition, was appointed Government Commissioner by order of the Minister for Energy Transition dated November 3, 2023, replacing Laurent Michel. By the same ministerial order, Alexandre Chevallier was appointed Substitute Government Commissioner, replacing Vincent Delporte.

4.1.1.3 Representative of the Social and Economic Committee

Pursuant to Articles L.2312-72 *et seq.* of the French Labor Code, one full member of the Social and Economic Committee, appointed by the Committee, attends all meetings of the Board of Directors in an advisory capacity. At the date of this Universal Registration Document, Gildas Gouvazé holds this position.

4.1.1.4 Absence of conflict of interest or conviction, service agreement and family ties

The Chairman draws the attention of the Board to any conflicts of interest that he has identified, or of which he has been made aware, relating, if applicable, to the Chief Executive Officer or the members of the Board of Directors. He reviews any potential conflicts of interest and agreements disclosed pursuant to Article 3.1.4 of the Internal Rules of the Board of Directors.

In addition to the provisions of the French Commercial Code which govern related-party agreements (Articles L.225-38 *et seq.* of the French Commercial Code), Article 4.7 of the Internal Rules (see Section 4.1.2.1 "Organization and Chairmanship") stipulates that each Director must make every effort to avoid any conflict that may exist between his/her moral and material interests and those of the Company, and must inform the Board of any conflict of interest in which he/she may be directly or indirectly involved. Where he/she cannot avoid the conflict of interest, the Director must abstain from discussions and voting on any decision concerning such matters.

To ENGIE's knowledge, there are no potential conflicts of interest between the Directors' duties with regard to ENGIE and their private interests and/or other duties.

There are no family ties among the Directors.

To ENGIE's knowledge, during the past five years, none of the Directors or executives of ENGIE has been convicted of fraud, served as manager in a bankruptcy, receivership, liquidation or administration situation, been subject to legal proceedings brought and/or official public sanction issued by a statutory or regulatory authority, or been prevented by a court from serving as a member of an administrative, management or supervisory body of an issuer, nor from participating in the management or oversight of the business of an issuer.

Furthermore, no loans or guarantees have been granted to, or on behalf of, members of the Company's Board of Directors or Executive Committee.

4.1.1.5 Independence of Directors in office

Annually, prior to the Shareholders' Meeting held to approve the financial statements for the previous fiscal year, the Board of Directors is required, in accordance with Article 1.1.2 of the Internal Rules, to review the independence of each of its members based on criteria determined by the Board. The process for assessing the independence of each Director was performed by the ACGC at its meeting of January 28, 2025, and then by the Board of Directors at its meeting of February 26, 2025.

Both bodies reviewed the independence of each Director on a case-by-case basis with respect to the criteria of the Afep-Medef Code to which the Company refers.

For the assessment of the significant nature (or not) of business relations, the ACGC and the Board study the extent of the business relationship, particularly in relation to the revenues generated by the contract(s) concerned, in relation to the other partners. They also analyze the decision-making power that the Director would have within the company with which ENGIE would have this business relationship.

It is specified that the following Directors, who were appointed as a result of legal or statutory obligations, cannot be deemed independent:

- Céline Fornaro, Director representing the French State, as well as Patrice Durand and Lucie Muniesa, Directors appointed by the Shareholders' Meeting on the proposal of the French State;
- Christophe Agogué, Yoan Kosnar and Magali Viot, Directors representing employees; Jacinthe Delage, Director representing employee shareholders.

Six Directors are considered independent (see Section 4.1.1.2 "Profiles, experience and expertise of Directors in office"). This means that the percentage of Independent Directors is 60%, it being specified that, pursuant to the Afep-Medef Code, the Directors representing employees and employee shareholders are not taken into account in the calculation of the percentage of independent Directors.

INDEPENDENCE OF DIRECTORS UNDER THE INDEPENDENCE CRITERIA LAID DOWN IN ARTICLE 10 OF THE AFEP-MEDEF CODE

	Independent (I) Not independent (NI)	Corporate employee during the previous 5 years	Cross-directorships	Significant business relations	Family ties	Statutory Auditor	Term of office longer than 12 years	Non-executive corporate officer status	Major shareholder status
Jean-Pierre Clamadieu	I								
Catherine MacGregor	NI	✗							
Fabrice Brégier[(1)]	I								
Marie-Claire Daveu	I								
Michel Giannuzzi	I								
Ross McInnes	I								
Marie-José Nadeau	I								
Céline Fornaro	NI								✗
Patrice Durand	NI								✗
Lucie Muniesa	NI								✗
Christophe Agogué	NI/NA[(2)]	✗							
Yoan Kosnar	NI/NA[(2)]	✗							
Magali Viot	NI/NA[(2)]	✗							
Jacinthe Delage	NI/NA[(2)]	✗							

✗ = *Independence criterion not met.*

(1) As Fabrice Brégier resigned from his position as Chief Executive Officer of Palantir Technologies France, effective June 1, 2024 and no longer holds any position in any company of the Palantir Group, there is no longer a need to examine the conditions of execution of the agreement between ENGIE S.A. and Palantir Technologies Inc.

(2) Pursuant to the Afep-Medef Code, the number of Directors representing employees or employee shareholders is not taken into account in calculating the percentage of Independent Directors.

Criterion 1: Corporate employee during the previous five years

The director must not be or have been during the previous five years:

- *an employee or executive corporate officer of the Company;*
- *an employee, executive corporate officer or Director of a company consolidated by the Company;*
- *an employee, executive corporate officer or Director of the parent company of the Company or of a company consolidated by said parent company.*

Criterion 2: Cross-directorships

The Director must not be an executive corporate officer of a company in which the Company directly or indirectly holds a directorship, or in which an employee designated as such or an executive corporate officer of the Company (current or within the last five years) holds a directorship.

Criterion 3: Significant business relations

The director may not be a customer, supplier, commercial banker, investment banker or consultant:

- *significant to the Company or its Group;*
- *or for whom the Company or its Group represents a significant share of the business.*

The assessment of the significant nature (or not) of the relationship with the Company or its Group is debated by the Board and the quantitative and qualitative criteria that led to this assessment (continuity, economic dependence, exclusivity, etc.) are explained in the annual report.

Criterion 4: Family ties

The director has no close family ties with a corporate officer.

Criterion 5: Statutory Auditor

The Director has not been the Statutory Auditor of the Company during the previous five years.

Criterion 6: Term of office longer than twelve years

The Director has not served for more than twelve years. The status of Independent Director is lost on the twelve-year anniversary date.

Criterion 7: Non-executive corporate officer status

A non-executive corporate officer may not be considered independent if he or she receives variable compensation in cash or securities or any compensation related to the performance of the Company or the Group.

Criterion 8: Major shareholder status

Directors representing major shareholders of the Company or its parent company may be considered independent when such shareholders do not exercise control over the Company. However, if a Director exceeds a threshold of 10% of the capital or voting rights, the Board, based on a report by the Appointments Committee, systematically reviews the independent status of the director(s) concerned, taking into account the structure of the Company's capital and whether or not potential conflicts of interest exist.

4.1.1.6 Multiple directorships

The number of offices held by the Directors in listed companies outside the Group, including foreign companies, was assessed by the Board of Directors at its meeting on February 26, 2025, in accordance with the provisions of Article 20 of the Afep-Medef Code, which stipulates that: *"An executive corporate officer may not hold more than two other directorships in listed companies outside his/her group, including foreign companies. A Director may not hold more than four other directorships in listed companies outside the Group, including foreign companies."*

	Number of offices held in listed companies outside the Group	Compliance with the Afep-Medef Code
Jean-Pierre Clamadieu	2	•
Catherine MacGregor	1	•
Fabrice Brégier	2	•
Marie-Claire Daveu	1	•
Michel Giannuzzi	2	•
Ross McInnes	2	•
Marie-José Nadeau	0	•
Céline Fornaro	3	•
Patrice Durand	0	•
Lucie Muniesa	0	•
Christophe Agogué	0	•
Yoan Kosnar	0	•
Magali Viot	0	•
Jacinthe Delage	0	•

4.1.1.7 Diversity policy for members of the Board of Directors

The Board of Directors works to promote diversity on the Board in terms of gender, nationality, qualifications and professional experience, and age of its members.

Pursuant to the provisions of Article L.225-17 of the French Commercial Code, which established the principle of balanced gender representation on Boards of Directors, at the date of this report, ENGIE's Board of Directors includes seven female Directors from a total of 14 members.

In assessing the ratio of women to men on Boards of Directors, the law stipulates that Directors representing employees (three Directors) and employee shareholders (one Director) are not taken into account. The assessment is therefore made on the basis of 10 Directors, five of whom are women, i.e., 50% women. The legal requirement for at least 40% of Board members to be women and 40% to be men has been met.

It should be noted that Directive (EU) 2022/2381 of the European Parliament and of the Council of November 23, 2022 on improving the gender balance among directors of listed companies (known as Women on Boards Directive) requires Member States to ensure that companies are subject to gender balance targets to be achieved by June 30, 2026. This directive was transposed into French law by ordinance no. 2024-934 of October 15, 2024. This results in a gender balance obligation assessed separately: on the one hand, within the group of Directors representing employees, and on the other hand, within the group of Directors representing shareholders (including the Director representing employee shareholders).

ENGIE also seeks to increase the diversity and international experience of its Board of Directors. Four nationalities are represented by the 14 Directors (Australian, Canadian, Italian and French).

With regard to the professional qualifications and experience of the Directors, the objective of the Board is to ensure that its membership is adequate in respect of ENGIE's activities, challenges and strategic plans, thereby contributing to the quality of the decisions it makes.

In 2024, the Board of Directors, on the recommendation of the ACGC, decided to update the Directors' skills matrix to better reflect expertise in areas deemed important for the Group.

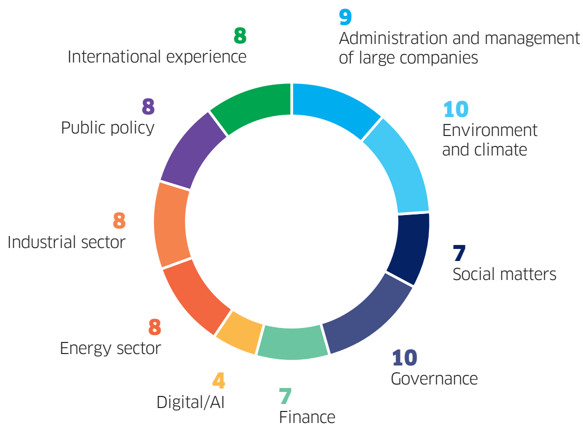
Furthermore, in the area of Environmental, Social and Governance (ESG) criteria, skills are specified for each pillar: environmental/climate, social and governance. For each Director, their most relevant skills for the needs of the Board of Directors, based on their qualifications and professional experience, are identified. These are set out in the table below and under each of their biographies.

Finally, in terms of age, the Board has three Directors aged over 70. The applicable legal requirement, in the absence of a specific provision in the bylaws, is therefore satisfied, i.e., Directors over the age of 70 must not make up more than one third of the Directors in office **[ESRS 2 - GOV-1].**

INDIVIDUAL KEY AREAS OF EXPERTISE OF DIRECTORS

List of areas of expertise	Administration and management of large companies	ESG			Finance	Digital/AI	Energy sector	Industrial sector	Public policies	International experience
		Environment and climate	Social	Governance						
Jean-Pierre Clamadieu	•	•	•	•			•	•	•	•
Catherine MacGregor	•	•	•			•	•	•		•
Fabrice Brégier	•				•	•		•		
Marie-Claire Daveu	•	•	•	•		•	•		•	•
Michel Giannuzzi	•	•		•	•			•		•
Ross McInnes	•	•		•	•			•		•
Marie-José Nadeau	•	•		•			•	•		•
Céline Fornaro	•		•	•	•			•	•	•
Patrice Durand	•				•			•	•	•
Lucie Muniesa		•		•	•				•	
Christophe Agogué			•	•	•		•			
Yoan Kosnar		•	•	•		•	•		•	
Magali Viot		•	•				•		•	
Jacinthe Delage		•		•			•		•	
Percentage of Directors with the necessary skills	*64%*	*71%*	*50%*	*71%*	*50%*	*29%*	*57%*	*57%*	*57%*	*57%*

Total of 14 Directors at December 31, 2024



4.1.1.8 Process for the recruitment of a Director

The procedure for the selection and appointment of Directors representing employees, the Director representing employee shareholders and Directors appointed by or on the recommendation of the French State is subject to a specific regulatory and/or statutory framework which is set out in Section 4.1.1.

With regard to the selection of Independent Directors, the ACGC Chair, with the support of the Chairman of the Board of Directors, supervises the process of finding and selecting new Directors, with the assistance of one or more recruitment firms where necessary.

Candidates are longlisted and then shortlisted.

Interviews of candidates are held at the end of the process with a view to submitting a recommendation to the Board of Directors. During these interviews, the ACGC ensures the independence, availability and motivation of the prospective candidate and his/her adherence to the Group's values.

The replacement of Directors appointed by the Shareholders' Meeting whose position becomes vacant during the term of office, due to death or resignation, is subject to the laws and regulations in force. These measures are not applicable in the event that, the seat of a Director elected by the employees or the seat of the Director representing employee shareholders becomes vacant, for any reason whatsoever.

4.1.1.9 Training of Directors

On-boarding and training program for new members of the Board of Directors

Each Director may receive any training necessary for the proper performance of his or her role as Director – and, where applicable, as Committee member – provided or approved by the company in accordance with Article 4.1 of the Internal Rules of ENGIE's Board of Directors and with Article 14 of the Afep-Medef Code.

During its November 30, 2022 meeting, members of the ACGC adopted an on-boarding and training program for any new members of the Board in principle within six months of taking office, to allow them to rapidly acquire good knowledge of the company's structure and activities. This program consists of meetings with members of the Executive Committee, and information sessions delivered by experts from the various business lines of the Group. The program also includes training on cross-cutting topics, including ESG, and features site visits selected by the company to represent the Group's activity.

Training of Directors representing employees and employee shareholders

At its meeting on August 1, 2024, the Board of Directors adopted a training program for Directors representing employees and the Director representing employee shareholders. This program was established in accordance with Article L. 225-30-2 of the French Commercial Code, Article 14 of the Afep-Medef Code and Article 4.1 of the Internal Rules of the Board of Directors. This program aims to help Directors acquire or perfect the necessary knowledge and technical expertise to fulfill their role. It mainly covers the role and operation of the Board of Directors, the rights, obligations and responsibilities of Directors, and the Group's structure and activities. The Board of Directors must determine, after consulting the Directors concerned, the content of the training program for the entire term of office and the organization(s) responsible for delivering the training.

Generally, the training provided to ENGIE's Employee Directors, led by both internal and external speakers, focuses on the following topics: Directors' role, finance, governance, ESG, and English. Additional sessions are provided for all Directors on certain strategic aspects or activities of ENGIE.

Site visits

Directors are offered the opportunity to visit company sites.

In 2024, the Directors visited ENGIE Brasil Energia's control room. During this trip, some of them visited the Assu Sol site, a photovoltaic complex near Natal, while others explored the remote control room of the TAG network, the largest natural gas transmission network in Brazil (see Section 1.6.2.3). The Directors also had the opportunity to visit the site of the *Compagnie Parisienne de Chauffage Urbain* (CPCU), in the Paris region, a supplier of heat for residential, office, and institutional heating and hot water in the Greater Paris area.

ESG training

In September 2024, the Board members received specialized training on the Corporate Sustainability Reporting Directive (CSRD), which is the European directive defining the standards and obligations for corporate non-financial disclosures. It covers the entire spectrum of ESG and results in the Sustainability Statement (see Section 3.1 "Sustainability Statement"), which replaces the former Non-Financial Statement (see Chapter 3 of the 2023 Universal Registration Document). The Sustainability Statement is subject to a mandatory limited assurance audit in 2024 (publication in this Universal Registration Document) **[ESRS 2 - GOV-1]**.

Information meetings

In 2024, the Directors attended information sessions on:

- the energy market in Europe (gas and electricity);
- the CPCU entity (including a site visit and a presentation of its activities);
- seawater desalination technology and operations;
- ENGIE's scenarios for the energy transition.

In 2025, Directors are scheduled to attend information meetings dedicated to artificial intelligence and electricity storage (batteries).

4.1.1.10 Changes in membership structure of the Board of Directors

At its meeting of February 26, 2025, the Board of Directors decided to convene the Ordinary and Extraordinary Shareholders' Meeting to be held on April 24, 2025, at CNIT Forest – 2 Place de la Défense in Puteaux (92), France.

Shareholders should note that both postal and electronic means may be used to vote at the Shareholders' Meeting and to send written questions to the Board, under the conditions set out by the regulations.

The documents for the Shareholders' Meeting will be available on the Company website (www.engie.com/en/general-meeting-april-2025).

Shareholders are invited to visit this page of the website regularly. It will specify the arrangements for participating.

At its meeting on February 26, 2025, the Board of Directors, on the recommendation of the ACGC, proposed that the Shareholders' Meeting on April 24, 2025 renew Catherine MacGregor's term of office as a Director, with the intention of reappointing her as Chief Executive Officer.

Jacinthe Delage's term of office as Director representing employee shareholders is set to expire at the end of this Shareholders' Meeting. The Supervisory Boards of FCPE Link France and Link International have nominated Stefano Bassi and Gildas Gouvazé as candidates for the position of Director. The candidate who receives the highest number of votes will be appointed as a Director representing employee shareholders for a four-year term. This term of office will expire at the close of the Shareholders' Meeting to be held in 2029 to approve the financial statements for the year ended December 31, 2025.

At the close of the Shareholders' Meeting of April 24, 2025, and subject to approval of these resolutions, the Board of Directors will consist of 14 members.

4.1.2 Activities and operations of the Board of Directors

4.1.2.1 Organization and Chairmanship

Organization of the Board of Directors

The **operating procedures** of the Board of Directors are defined in Article 14 of the bylaws. Its organizational procedures are set out in Article 3 of the Board of Directors' Internal Rules, which specify the ways and means by which the Board can operate efficiently on behalf of the Company and its shareholders, as well as the responsibilities incumbent on each Director.

The Board of Directors meets as often as the Company's interests require and, in accordance with its Internal Rules, at least six times a year, including at least once each quarter. Board of Directors' meetings may be held via any means of videoconference or telecommunication that allows Directors to be identified and ensures their effective participation.

Since 2016, a **digital platform** has been available to Directors for them to carry out their tasks. The platform is accessible via an app on a tablet provided by the Company to all members of the Board of Directors. It notably allows documents related to meetings of the Board of Directors and its committees to be shared securely.

Board of **Directors' meetings** are also attended by the Government's Commissioner and the representative of the Social and Economic Committee, who each have an advisory role. They are also attended by the Corporate Secretary and the Secretary to the Board of Directors, the Executive Vice President in charge of Finance, ESG and Procurement, as well as the Statutory Auditors.

Once a year, the Board of Directors carries out a **self-assessment** under the guidance of the ACGC; at least every three years, a formal assessment is carried out with the help of an external consultant (see Section 4.1.2.5 “Assessment of the functioning of the Board of Directors”). Pursuant to Article 11.2 of the Afep-Medef Code, the purpose of this assessment is to review its practices, to verify that key issues are properly prepared and discussed, and to assess the actual contribution of each Director to the Board's work.

The **Secretary of the Board of Directors** provides administrative services to the Board and records the minutes of the meetings.

On the recommendations of the ACGC of February 20, 2024, the Board of Directors' meeting of February 21, 2024, strengthened the Internal Rules concerning the obligation set out in the bylaws of holding shares in the Company. Each Director must now hold a minimum of 25% of his/her annual compensation in shares. The Director will have a period of one year from his/her appointment to acquire these shares. This requirement does not, however, apply to Directors ratified or elected by the Shareholders' Meeting on the recommendation of the French State, the Director representing the French State, the Directors representing employees or the Director representing employee shareholders (the number of shares personally owned by the Directors is provided in Section 4.1.1.1 and in their biographies).

Directors undertake to devote the necessary time and attention to their duties. They must stay informed of the activities and the specifics of ENGIE and its issues and values, including by talking and meeting with senior executives. They must attend Board meetings.

The individual attendance rates of the Directors for meetings of the Board and its committees are set out in Section 4.1.2.6 "Attendance by Directors at meetings of the Board of Directors and its committees in 2024" below.

The appendix to the Internal Rules (https://www.engie.com/en/by-laws-ENGIE) sets out the rules governing trading in the Company's securities and the offense of insider trading applicable to corporate officers and all employees. It expresses the Company's desire to ensure prudent management of its securities, and to comply and ensure others' compliance with current regulations governing securities transactions carried out by corporate officers and employees.

In addition to these documents, the Regulation for Employee Directors, approved by the Board of Directors at its meeting of December 9, 2009, lays down conditions under which these Directors are to exercise their duties.

Powers and responsibilities of the Chairman of the Board of Directors

The Chairman of the Board of Directors:

- organizes and directs the work of the Board and reports on this to the Shareholders' Meeting;
- chairs the Board's meetings, oversees deliberations, ensures compliance with the bylaws and the Internal Rules, and may suspend the session at any time;
- upholds the quality of the discussions and ensures that the Board's decisions are made on a collective basis;
- makes sure that the Board spends enough time on discussions and allots time to each of the items on the agenda in proportion to the importance that each issue represents for the Company. The Directors ensure, collectively, that the time allotted to each of them to express their views is evenly balanced;
- pays particular attention to ensuring that the issues raised on the agenda receive an appropriate response;
- ensures that the Board and its committees function properly, assisting them and submitting questions to them for opinions;
- ensures that the principles of good governance are applied (particularly that Directors have the information they need to carry out their tasks, sufficiently in advance and in a clear and appropriate form);
- ensures that the Shareholders' Meetings that he/she chairs are properly organized;
- answers questions from shareholders and, more generally, ensures good relations with them. If necessary, he/she provides assistance in responding to the requests of shareholders not represented on the Board and makes him or herself available to meet with them and listen to their comments and suggestions (see also Section 4.1.2.7 "Discussions with shareholders").

Working with the Chief Executive Officer, the Chairman of the Board is also responsible for:

- organizing the strategic work of the Board;
- monitoring the preparation and implementation of succession plans for the members of the Executive Committee;
- representing the Group at a high level with national and international bodies and institutions in the interest of the Group.

The Chairman also:

- devotes his best efforts to promoting the Group's values and image in all circumstances;
- keeps the members of the Board informed, as necessary, between meetings;

- is the only person authorized to speak and act on the Board's behalf;
- draws the attention of the Board to any conflicts of interest that he has identified, or of which he has been made aware, concerning, where applicable, the Chief Executive Officer or the members of the Board of Directors. He examines situations of potential conflicts of interest.

The Board may assign information or consultation tasks to the Chairman on specific subjects within the Board's purview.

The Chairman works in coordination with the Chief Executive Officer, who has responsibility for Group administration and operational management.

As well as exercising the powers conferred on him by law, he may be consulted by the Chief Executive Officer on any matter relating to the running of the business.

The Chairman is kept regularly informed by the Chief Executive Officer about significant events in the life of the Group, particularly with regard to strategy, organization, investment and disinvestment. At the Chief Executive Officer's invitation, the Chairman may attend internal meetings with the Company's executives and teams to provide his point of view on strategic issues.

If he is unavailable, the Chairman is replaced, pursuant to Article 3.1.1 of the Internal Rules, by a Vice-Chairman or, if that is not possible, by the Chief Executive Officer if the CEO is a Director or, if not, by another Director chosen by the Board at the beginning of the meeting.

4.1.2.2 Tasks of the Board of Directors

The Board of Directors, on a collective basis, determines the Company's business strategy and oversees its implementation.

Subject to the applicable laws and regulations and the Company bylaws, it determines the supervisory framework of Executive Management. It exercises the following powers **[ESRS 2 – GOV-1]**:

Governance	• choosing the Executive Management system.
Appointments and Compensation	• appointing the executive corporate officers and setting their compensation; • reviewing, at least once a year, the professional and salary equality policy.
Strategy	• ensuring that shareholders and investors receive relevant, balanced and instructive information about the Company's strategy and development model, the handling of significant non-financial issues and the Company's long-term prospects; • reviewing, at least once a year, the Group's industrial strategy and financial strategy.
Finance	• dealing with all matters concerning the efficient running of the Company and, through its decisions, managing the Company's business; • performing any checks and verifications it considers appropriate; • reviewing, at least once a year, the budget.
ESG	• working to promote long-term value creation by the company by taking into consideration the social and environmental challenges of its activities as well as its purpose; • reviewing, at least once a year, market trends, the competitive context and principal challenges, including in the area of the Group's social and environmental responsibility.

Sharing of powers and responsibilities between the Board of Directors and the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company and represents the Company in its relations with third parties. However, certain significant operations are subject to prior authorization by the Board of Directors, such as the following operations:

- acquiring or disposing of any of the Company's direct or indirect interests in any company formed, or to be formed, taking an interest in the formation of any company, joint venture, consortium or body or subscribing to any issue of shares, share equivalents or bonds in which the Company's or the Group's financial exposure exceeds €250 million for the transaction in question;
- becoming involved in asset contributions or exchange transactions, with or without a cash balance, relative to goods, securities, stocks or bonds for an amount exceeding €250 million;
- entering into supply, works or service contracts (with the exceptions of contracts related to long-term energy purchase transactions), including successive amendments thereto, if any, for an amount exceeding €400 million;
- resolving disputes by way of agreement, settlement or arbitration decision for an amount exceeding €200 million;
- entering into long-term energy procurement plans on behalf of the Group that involves quantities, per transaction, in excess of:
  - 30 billion kWh of gas per year, including the terms of transmission,
  - 20 billion kWh of electricity per year, including the terms of transmission;
- entering into significant transactions beyond the scope of the Company's stated strategy;
- real estate acquisition or disposal transactions for an amount exceeding €200 million;
- entering into the following transactions for an amount exceeding €1.5 billion:
  - granting or contracting any loans, borrowings, credit or cash advances by the Company, or authorizing any Group subsidiary or financing medium for this purpose,
  - acquiring or assigning any receivables, by any method,
  - entering into significant agreements with the French State relating to the objectives and terms and conditions of implementation of public service assignments entrusted to the Company or its subsidiaries, within the limits set by law.

In addition, each year, the Board of Directors authorizes the Chief Executive Officer to issue guarantees, other securities and bonds for amounts determined by the Board of Directors.

4.1.2.3 Work of the Board of Directors

9 meetings	**14** members	**50%** women	**60%** Independent Directors	**97%** attendance

The Board of Directors of ENGIE met 9 times in 2024, with an average attendance rate of 97%. The average individual attendance rate at meetings of the Board of Directors and the committees for 2024 is indicated, for each director, in Section 4.1.2.6 "Attendance by Directors at meetings of the Board of Directors and its committees in 2024."

The agenda of Board meetings is established by the Chairman and the Chief Executive Officer. The objective is to prioritize discussions for issues which, under the Group's governance principles and pursuant to the texts in force, such as the Internal Rules, involve a decision.

Each session begins with an item on health & safety. The Chief Executive Officer also provides an update on the situation of the Group.

STRATEGIC PLANNING SEMINAR

The Board held its annual strategic planning seminar in June 2024. During this seminar, Board members discussed strategic developments for the Group and in particular thermal energy decarbonization strategies, offshore wind and electricity networks. A presentation on the use of digital technology within ENGIE's business lines and support functions was also given to the Directors. They also discussed climate strategy.

MAIN ACTIVITIES IN 2024 [ESRS 2 – GOV-1]

Group strategic planning and monitoring of its operations	• operational implementation of strategic guidelines; • ENGIE's 2030 vision for long-term and sustainable growth; • preparation and follow-up for the Board's annual strategic planning seminar (see box).
Investments and sales of assets	• review of a series of investment and divestment projects requiring a decision by the Board.
Finance, audit and risks	• approval of the parent company and consolidated financial statements, the proposed allocation of earnings and the draft press release; • dividend policy and guidance; • approval of the provisional management documents; • approval of the budget and medium-term business plan; • renewal of the annual authorizations granted to the Chief Executive Officer to issue bond loans and to issue guarantees and other securities; • refinancing of the syndicated credit line maturing in 2025; • 2024 risk review, in particular cybersecurity priority risk.
Governance, appointments and compensation	• preparation for the Ordinary and Extraordinary Shareholders' Meeting and responses to written questions from shareholders; • diversity, expertise and independence policy for Directors in office; • appointments to the Board of Directors and to the Board committees; • assessment of the functioning of the Board and individual contributions of Directors; • employee share ownership policy; • compensation for corporate officers; • Performance Share plans; • compensation policy and succession plan for senior executives.
ESG	• regular monitoring of ESG criteria, including CO_2 emissions, and the climate strategy; • "climate change" priority risk; • professional and salary equality policy; • annual health & safety report; • declaration on modern slavery provided under UK regulations.

EXECUTIVE SESSIONS

Meetings of Directors with no executive functions take place regularly after Board meetings. These executive sessions cover a wide range of topics. The Audit Committee and the ACGC are systematically preceded, or followed, by a meeting of their members, without management present. Members of the EESDC meet once a year, without management present.

4.1.2.4 Committees

Four standing committees assist the Board of Directors:

- the Audit Committee;
- the Investment and Technology Committee (ITC);
- the Appointments, Compensation and Governance Committee (ACGC); and
- the Ethics, Environment and Sustainable Development Committee (EESDC).

Each committee is chaired by an Independent Director.

These committees are tasked with studying matters and projects related to the Group that the Board or the Chairman has submitted for their opinion. They are also tasked with preparing the Board's work and decisions on such matters and projects. The committees report their conclusions to the Board in the form of reports, proposals, opinions, information or recommendations.

The committees perform their tasks under the responsibility of the Board of Directors. No committee may, on its own initiative, address issues that fall outside the scope of its mission. The committees have no decision-making power.

On the Chairman's recommendation, and having heard the opinion of the ACGC, the Board of Directors appoints the members and Chair of each committee, based on the skills, experience, diversity of profiles and availability of each Director (see Section 4.1.1.1 "Experience and expertise of Directors in office" and the table "Changes in the membership of the Board of Directors and the committees in 2024" under Section 4.1.1).

In order to carry out their work, the committees may interview members of Company and Group divisions and/or commission technical studies on matters within their expertise at the Company's expense, provided that they have informed the Chairman of the Board about this, and that they report on it to the Board. If the committees use the services of external consultants, they must ensure that the advice concerned is objective.

The practice of holding executive sessions, i.e., part of the committee's meeting taking place without the presence of management, is either systematic or occasional, depending on the committee concerned (see box above).

The Corporate Secretariat provides secretarial services to the Board committees.

The Directors are informed about non-financial information and ESG matters during the Audit Committee and the EESDC, whose activities are described below **[ESRS 2 – GOV-1 and GOV-2]**.

At December 31, 2024

AUDIT COMMITTEE
Chair: Ross McInnes
2 women | **3** men | **6** meetings +1 joint with the ITC
97% Attendance — **75%** Independent(1)

APPOINTMENTS, COMPENSATION AND GOVERNANCE COMMITTEE
Chair: Marie-José Nadeau
3 women | **2** men | **7** meetings
98% Attendance — **75%** Independent(1)

BOARD OF DIRECTORS
Chair: Jean-Pierre Clamadieu
7 women | **7** men | **9** meetings
97% Attendance — **60%** Independent(1)

ETHICS, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT COMMITTEE
Chair: Marie-Claire Daveu
3 women | **1** man | **4** meetings
85% Attendance — **66%** Independent(1)

INVESTMENT AND TECHNOLOGY COMMITTEE
Chair: Jean-Pierre Clamadieu
2 women | **4** men | **7** meetings +1 joint with the Audit Committee
95% Attendance — **60%** Independent(1)

(1) Pursuant to the Afep-Medef Code, Directors representing employees or employee shareholders are not taken into account when determining the proportion of Independent Directors within the Board and its committees.

The Audit Committee

6 **meetings** *+1 joint meeting with the ITC*	**5** **members** *(3 men and 2 women)*	**75%** **Independent Directors**	**97%** **attendance**

The Audit Committee has five members: Ross McInnes[(1)] (Chairman), Christophe Agogué, Céline Fornaro Michel Giannuzzi[(1)] (since May 14, 2024), Marie-José Nadeau[(1)].

The Audit Committee met seven times in 2024 (including one joint meeting with the ITC), with an average attendance rate of 97%.

The Executive Vice-President in charge of Finance, ESG and Procurement and the Vice-President in charge of Group Audit attended all the meetings of the Audit Committee. The Statutory Auditors attended all the meetings. Pursuant to Article 5.1.1 of the Internal Rules of the Board of Directors, the Chair of the EESDC is invited to every meeting of the Audit Committee that addresses reporting on non-financial information.

Each meeting of the Committee was followed by an executive session.

The Committee reports regularly to the Board of Directors on the performance of its tasks. It also reports on the results of the audit assignment, how it contributed to the completeness of the financial information and the role it played in this process. The Committee also monitors the process of preparing non-financial information. It immediately notifies the Board of Directors of any problems encountered.

The period between the examination of the accounts by the Audit Committee and the closing of the accounts by the Board of Directors is at least 48 hours.

MAIN TASKS AND ACTIVITIES IN 2024

Subject	Tasks	Activities
Financial Statements	• to monitor the process of preparing financial information and, if necessary, to make recommendations to ensure its integrity; • to examine in advance and provide an opinion on the draft annual and interim financial statements; • to interview, whenever it deems this to be necessary, the Statutory Auditors, Executive Management, the Finance Department, Internal Audit and any other management member; • to examine important financial press releases before they are released.	• the review of the consolidated and parent company financial statements as at December 31, 2023 (including significant off-balance sheet commitments), and June 30, 2024, the financial information for the first and third quarters of 2024 and the corresponding press releases with the Vice-President of Group Financial Control and the Group Accounting Director; • the annual and interim assumptions and forecasts and the provisional management documents; • 2024 financial trajectory and guidance; • the operating fees of the Chairman and the Board of Directors; • the draft 2023 Universal Registration Document (apart from sections covered by other committees) and the draft financial resolutions submitted to the Shareholders' Meeting; • the dividend policy; • the definition of the amount of the guarantees package; • tax reform projects; • related-party and current agreements; • investor relations, including feedback from governance roadshows.
Non-financial Information	• to monitor the process of preparing non-financial information; • to assess the relevance of the principles and rules used in the preparation of non-financial Information; • to provide an opinion on the reporting draft; • to interview, when deemed necessary, the Statutory Auditors or any management member on the topic of non-financial reporting.	• the appointment of Statutory Auditors for the audit of the sustainability report; • the review of the certification of sustainability disclosures by the Statutory Auditors; • the monitoring of the progress in implementing the CSRD and the preparation of the Sustainability Statement.

(1) *Independent Director.*

Subject	Tasks	Activities
Risk management	• to monitor the efficiency of the Group's risk management systems and procedures, with regard to procedures for preparing and processing accounting and financial data; • to regularly obtain updates on the Group's financial position, cash position and significant commitments and risks.	• the annual risk review (in the presence of the Group Finance, Risk and Insurance Director); • the market risk review; • the review of priority risks: cybersecurity, safety.
Internal control	• to monitor the efficiency of internal control systems and procedures; • to examine, with the internal audit managers, the plans and actions taken in the area of internal audit, the conclusions of these planned measures and actions and the subsequent recommendations and follow-up.	• the 2023 annual review of the Group's internal control and targets for 2024; • the review of the quarterly activity reports from the internal audit, the follow-up of audit recommendations and the 2024 and 2025 annual audit plans (in the presence of the Vice-President, Group Audit).
External control and Statutory Auditors	• to select, appoint and re-appoint the Statutory Auditors; • to monitor the Statutory Auditors' performance of their assignments; • to ensure that the Statutory Auditors comply with the conditions of independence; • to monitor the provision by the Statutory Auditors of services other than the auditing of the financial statements and the application of the rules for the capping of the related fees; • to examine, each year, the Statutory Auditors' audit fees and their scheduled work.	• prior approval of the work entrusted to the Statutory Auditors outside their audit assignment and the follow-up of these tasks; • the report on the 2023 Statutory Auditors' fees; • the review of the Statutory Auditors' report on the annual and consolidated financial statements for the year ended December 31, 2023; • the review of the 2024 work program after hearing the Statutory Auditors; • the preparation of the expiry of the Statutory Auditors' terms.

The Investment and Technology Committee

7
meetings
+ 1 joint meeting with the Audit Committee

6
members
(4 men and 2 women)

60%
Independent Directors

95%
attendance

The Investment and Technology Committee has six members: Jean-Pierre Clamadieu[1] (Chairman), Patrice Durand, Céline Fornaro, Yoan Kosnar, Ross McInnes[1] and Marie-José Nadeau[1].

The Chief Executive Officer attends meetings of the ITC.

The ITC met eight times in 2024 (including one joint meeting with the Audit Committee), with an average attendance rate of 95%.

MAIN TASKS AND ACTIVITIES IN 2024

Subject	Tasks	Activities
Strategy review	• to provide an opinion on the Company's main strategic aims, particularly with regard to strategy; • to examine all external and internal growth projects, disposals, strategic agreements, alliances or partnerships, that are submitted to the Board; • to examine strategic decisions relating to technological developments, as well as questions concerning the construction and upgrading of industrial facilities and annual and multi-year supply, works or services contracts, procurement policy and significant real estate projects.	• prepare a series of investment and disposal projects; • set milestones for projects in progress; • prepare the medium-term business plan in terms of strategy; • prepare for and follow-up on the Board's annual strategic seminar; • monitor industry trends and significant events.
Joint meetings of the Audit Committee and the ITC		• the Medium-Term Business Plan (MTP)

(1) *Independent Director.*

The Appointments, Compensation and Governance Committee

7 meetings

5 members *(2 men and 3 women)*

75% Independent Directors

98% attendance

The Appointments, Compensation and Governance Committee (ACGC) has five members: Marie-José Nadeau(1) (Chair), Fabrice Brégier(1), Jacinthe Delage, Céline Fornaro and Michel Giannuzzi(1) (since July 31, 2024).

The Chairman of the Board of Directors and the Chief Executive Officer attend meetings of the ACGC, unless the meetings address matters that concern them.

Each meeting of the Committee results in an executive session.

The ACGC met seven times in 2024, with an average attendance rate of 98%.

MAIN TASKS AND ACTIVITIES IN 2024

Subject	Tasks	Activities
Appointments and Governance	• to review all nominations for appointment to the Board that must be submitted to the Shareholders' Meeting for approval, as well as for membership of committees and chairmanship of such committees; • to ensure that executive corporate officers implement a discrimination and diversity policy within the management bodies; • to direct, in coordination with the Chairman, the process for the annual assessment of the Board's work; • to assess, with the Chairman, the proper operation of governing bodies; • to plan the succession of the Company's Chairman and Chief Executive Officer; • to review the succession plan for the Company's executives and report on Executive Management projects relating to the appointment of members of the Executive Committee; • to review all nominations of the Chairman and the Chief Executive Officer for any corporate office in a listed company outside the Group.	• monitoring the policy on diversity within the Board, the membership of the Board and its committees, and the independence and expertise of Directors; • assessment of the functioning of the Board; • senior executive succession plans; • the results of the annual ENGIE&Me employee engagement survey; • changes in proxy and investor voting policies and results of governance roadshows led by the Chairman of the Board of Directors; • the Link 2024 employee share ownership plan; • the renewal of the Chief Executive Officer's term of office; • draft resolutions within its remit submitted to the 2024 Shareholders' Meeting; • the "Governance" Section of the corporate governance report (Chapter 4 of the draft Universal Registration Document 2023); • the review of terms of office held by the current Chairman of the Board and the Chief Executive Officer.
Compensation	• to make recommendations on the compensation, pension and welfare plans, benefits in kind and various pecuniary rights awarded to the Chairman and to the Chief Executive Officer, as well as to any members of the Board that hold employment contracts with the Company; • to make recommendations on the amount and distribution of Directors' compensation; • to examine information regarding the compensation policy for the members of the Executive Committee; • to make recommendations on the Performance Shares granted to the members of the Executive Committee.	• compensation for corporate officers; • the success rate of Performance Share plans; • the allocation of Performance Shares to the Chief Executive Officer for 2024; • the Performance Share plan for 2024 and the new Performance Share plan for 2025; • information regarding compensation of members of the Executive Committee and the compensation policy for senior executives; • equity ratios; • draft resolutions within its remit submitted to the 2024 Shareholders' Meeting; • the "Compensation" Section of the corporate governance report (Chapter 4 of the draft Universal Registration Document 2023).

(1) Independent Director.

The Ethics, Environment and Sustainable Development Committee [ESRS 2 – GOV-2]

4 meetings	**4** members *(1 man and 3 women)*	**66%** Independent Directors	**85%** attendance

The Ethics, Environment and Sustainable Development Committee (EESDC) has four members: Marie-Claire Daveu(1) (Chair), Ross McInnes(1), Lucie Muniesa and Magali Viot.

The Chief Executive Officer attends meetings of the EESDC.

Once a year, the members of the Committee meet without the presence of management.

The Committee met four times in 2024, with an average attendance rate of 85%.

MAIN TASKS AND ACTIVITIES IN 2024

Subject	Tasks	Activities
Ethics and compliance	• to ensure that the Group has the right level of commitment with regard to ethics, non-financial compliance, and environmental, social and societal responsibility; • to examine the Group's policies, guidelines and charters in these areas; • to review the identified risks in this area, examine any potential violations, and assess the actions taken.	• the 2023 management report of the Ethics, Compliance & Privacy Department; • examination of significant ethics and compliance issues; • the One ENGIE, One Ethics communication plan; • the declaration on modern slavery (UK regulations); • the implementation of the due diligence clients policy and the update of the Human Rights Vigilance Policy.
ESG	• to set non-financial objectives and monitor the integration of various non-financial issues (environmental, social and governance) into the group's strategy; • to review the risks and opportunities related to climate change and assess the CO_2 pathway (CO_2 Medium-Term Business Plan - CO_2 MTP); • to approve the non-financial information reporting policy, particularly within the framework of the CSRD; • to review and assess the report on the effective implementation of the Vigilance Plan.	• the Group's ESG performance and a report of the Statutory Auditors on this performance; • the 2023 report on the 2030 ESG targets and the 2024-2026 forecasts; • the CO_2 MTP; • the implementation of the CSRD: double materiality assessment, review of material issues, as well as related impacts, risks, and opportunities (IRO), and examination of the draft 2024 Sustainability Statement; • the implementation of the anti-pollution policy; • Taxonomy reporting; • the draft 2024 integrated report; • the non-financial statement (Chapter 3 of the draft 2023 Universal Registration Document).
Employer's social responsibility	• to examine human resources policies and learn about the monitoring of the corresponding risks; • to review health & safety indicators and action plans, and learn about the monitoring of the corresponding risks.	• the 2023 annual health & safety report; • the progress of the ENGIE One Safety transformation plan; • the review of each fatal accident; • the "Human Resources and Transformation Risk" priority risk; • the results of the annual ENGIE&Me employee engagement survey; • the 2023 report on the objectives for female representation on the governing bodies; • conclusions regarding professional and salary equality.

(1) *Independent Director.*

4.1.2.5 Assessment of the operations of the Board of Directors

The assessment of the operations of the Board of Directors and its committees in 2024, as well as the individual contributions of the Directors, was led by the ACGC, with the assistance of an external consultancy firm.

This assessment shows that the Directors have a generally positive perception of the functioning and work of the Board of Directors and its committees. The quantitative indicators show a largely positive perception, particularly regarding the quality of the materials, the conduct of discussions, the content of information sessions, and the strategic seminar.

The Board of Directors has decided to focus on the following areas of improvement for 2025:

- introducing topics for discussion, particularly relating to artificial intelligence and energy storage;
- anticipating succession plans;
- engaging external experts to contribute on specific topics, particularly relating to geopolitics;
- pursuing opportunities to meet with the Executive Committee and key Group managers.

4.1.2.6 Attendance by Directors at meetings of the Board of Directors and its committees in 2024

	Board of Directors	Audit Committee	ITC	ACGC	EESDC
Jean-Pierre Clamadieu	100%		100%		
Catherine MacGregor	100%				
Fabrice Brégier	100%			100%	
Marie-Claire Daveu	100%				100%
Michel Giannuzzi[(1)]	88%	100%		100%	
Ross McInnes	100%	100%	100%		100%
Marie-José Nadeau	89%	83%	83%	86%	
Lord Peter Ricketts of Shortlands[(2)]	100%			100%	
Céline Fornaro	83%	100%	83%	100%	
Patrice Durand	100%		100%		
Lucie Muniesa	89%				75%
Christophe Agogué	100%	100%			
Yoan Kosnar	100%		100%		
Magali Viot	100%				75%
Jacinthe Delage	100%			100%	
OVERALL ATTENDANCE RATE	**97%**	**97%**	**95%**	**98%**	**85%**

(1) Since April 30, 2024.
(2) Until April 30, 2024.

4.1.2.7 Discussions with shareholders

The Chairman of the Board holds regular discussions with individual shareholders during various in-person or virtual events and meetings:

- In the context of the 2024 Shareholders' Meeting:
  - prior to the Meeting, the Chairman invited the ENGIE Shareholders' Advisory Committee, the representatives of employee shareholders, as well as the main associations and federations of individual shareholders to a discussion session;
  - during the Shareholders' Meeting, the Chairman opened two Q&A sessions with shareholders present in the room and those following the event online. For the past two years, a dedicated time for questions has been allocated to climate strategy topics;
- in 2024, the Chairman engaged in dialogue with shareholders, notably during the dedicated New Year's greetings event held at ENGIE's headquarter (and online). He also met with Belgian shareholders in Brussels.

The Chairman also supports ENGIE's initiatives to foster shareholder dialogue, including shareholder meetings held in Lille, La Grande-Motte and Paris (including participation in the Investir Day event), site visits, meetings with experts, and projects promoting financial education.

In addition, each year the Chairman speaks with the main institutional investors and voting advisory agencies, particularly in the context of the governance roadshows that take place in February and March.

4.1.3 Executive Management

The Company's Chief Executive Officer is Catherine MacGregor, who was appointed on January 1, 2021. Her term of office as Chief Executive Officer will expire at the same time as her Directorship, i.e., at the end of the Shareholders' meeting held in 2025 to approve the financial statements for the year ending December 31, 2024. On September 24, 2024, the Board of Directors expressed its intention to renew Catherine MacGregor in her role as Chief Executive Officer and decided to propose the renewal of her term of office as a Director at the Shareholders' Meeting on April 24, 2025.

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company and exercises her functions within the limits of the corporate purpose and subject to the powers expressly vested to Shareholders' Meetings and the Board of Directors bylaws and regulation. Limits imposed by the Board of Directors on the powers of the Chief Executive Officer are set out in the Internal Rules (see Section 4.1.2.2 "Tasks of the Board of Directors").

The implementation of ENGIE's strategy and its operational monitoring is carried out by two executive bodies – the Executive Committee and the Operational Management Committee.

The Executive Committee, which is in charge of Group management, comprises the Executive Vice Presidents under the management of the Chief Executive Officer. It formulates strategic decisions according to the guidelines defined by the Board of Directors. It develops ENGIE's long-term outlook and ensures that the short-term objectives are achieved. It makes all major decisions, particularly concerning investment within the limits of the powers granted to Executive Management, reviews performance, and monitors the pace of the Group's transformation.

At December 31, 2024, the Executive Committee had the following 10 members:

- **Catherine MacGregor,** Chief Executive Officer;
- **Paulo Almirante,** Senior Executive Vice-President in charge of the Renewables and Energy Management activities;
- **Sébastien Arbola,** Executive Vice-President in charge of FlexGen & Retail activities, also responsible for Hydrogen activities;
- **Jean-Sébastien Blanc,** Executive Vice-President in charge of Human Resources and ENGIE HQ;
- **Biljana Kaitovic,** Executive Vice-President in charge of Digital and Information Technology;
- **Frank Lacroix,** Executive Vice-President in charge of Energy Solutions activities;
- **Cécile Prévieu,** Executive Vice-President in charge of Networks activities;
- **Pierre-François Riolacci,** Executive Vice-President in charge of Finance, ESG and Procurement;
- **Thierry Saegeman**, Executive Vice-President in charge of Transformation & Geographies, Nuclear and Tractebel;
- **Claire Waysand,** Executive Vice-President in charge of the Corporate Secretariat, Strategy, Research & Innovation and Communication.

The GBU have been redefined as of February 1, 2025 (see Section 1.1.3 "Group organization"). As of the date of this Universal Registration Document, the Executive Committee has changed as follows:

- **Catherine MacGregor,** Chief Executive Officer;
- **Paulo Almirante**, Executive Vice-President in charge of the Renewable & Flex Power GBU;
- **Sébastien Arbola**, Executive Vice-President in charge of Special Projects;
- **Jean-Sébastien Blanc,** Executive Vice-President in charge of Human Resources and ENGIE HQ;
- **Biljana Kaitovic**, Executive Vice-President in charge of Data, Digital and IT;
- **Frank Lacroix**, Executive Vice-President in charge of the Local Energy Infrastructures GBU;
- **Edouard Neviaski**, Executive Vice-President in charge of the Supply & Energy Management GBU;
- **Cécile Prévieu**, Executive Vice-President in charge of the Networks GBU;
- **Pierre-François Riolacci,** Executive Vice-President in charge of Finance, ESG and Procurement;
- **Thierry Saegeman**, Executive Vice-President in charge of Transformation & Geographies, Nuclear and Tractebel;
- **Claire Waysand,** Executive Vice-President in charge of the Corporate Secretariat, Strategy, Research & Innovation and Communication.

The Operational Management Committee, known as the OPCOM, is in charge of operational activities, and is composed of the Executive Vice Presidents, the Chief Executive Officers of the entities, the directors of the Global Business Units, the regions and main countries and the managers of the main functional departments.

It is chaired by the Chief Executive Officer. The OPCOM implements ENGIE's strategic decisions; it is also in charge of driving the Group's transformation on the ground in the geographic areas **[ESRS 2 – GOV-1]**.

Equal opportunities policy for women and men in management bodies

In accordance with Article L. 22-10-10 para. 2 of the French Commercial Code, the report on corporate governance includes "information on how the company seeks balanced representation of women and men within the committee set up, where appropriate, by the Executive Management for the purposes of regularly assisting it in carrying out its general functions, and information on the results in terms of diversity in the 10% of positions with higher responsibility. If the company does not apply such a policy, the report shall contain an explanation of the reasons for this."

The *"committee set up, where appropriate, by the Executive Management for the purposes of regularly assisting it in carrying out its general functions"* corresponds to the Executive Committee.

With respect to the 10% of positions with higher responsibility, the scope described by the French Commercial Code is that of the Company, i.e., ENGIE. In terms of the organization of the Group, its integrated structure, and its positioning in around 30 countries for a total of around 98,000 employees, it seems more appropriate to consider the Group as a whole with regard to the spirit of the law. ENGIE considers that the relevant scope to use for the 10% of positions with higher responsibility is that of the OPCOM.

The Executive Committee consisted, at December 31, 2024, of 10 members, including four women (40%), and five nationalities. On the recommendation of the Executive Management, the Board of Directors set a target of at least 40% women and at least 40% men on the Executive Committee by 2025.

As of January 1, 2025, the OPCOM has 58 members, including 22 women (38%, an increase of more than five percentage points in one year). It comprises 15 nationalities.

For several years, the Group's appointments policy has strengthened gender diversity. The Group seeks to develop mixed talent pools, comprising senior executives and managers with strong potential, thus helping to increase female representation in the two bodies mentioned above, namely the Executive Committee and the OPCOM. Therefore, the final appointment decision for key positions in the Group is made on the basis of a list of candidates that includes men and women. Most appointments are made from this talent pool, comprising around 690 people, 44.6% of whom are women (an increase of four percentage points in a year).

These actions aim to help develop career paths, opening up opportunities for candidates with diverse profiles, so as to eventually form governing bodies that fully embody the Group's diversity policy.

4.2 COMPENSATION OF CORPORATE OFFICERS AND MEMBERS OF THE EXECUTIVE COMMITTEE

Compensation of corporate officers is determined by the Board of Directors based on the recommendations of the ACGC. It is subject to a presentation and binding votes at the Annual Shareholders' Meeting in accordance with Articles L.22-10-8, L.22-10-9, and L.22-10-34 of the French Commercial Code.

4.2.1 Compensation of the executive corporate officers allocated or paid for 2024 (*ex-post* say on pay)

Pursuant to Article 10.6 of the Afep-Medef Code, the Chairman of the Board of Directors, as an Independent Director, does not receive variable compensation linked to the Company's performance.

Compensation of the other executive corporate officers generally includes:

- a fixed component, which remains unchanged throughout the term of office, unless the Board of Directors, on the recommendation of the ACGC, decides otherwise;
- a variable component, balanced relative to total compensation, the purpose of which is to reflect the executive's personal contribution to the Group's development and results; and
- a long-term incentive component, subject to performance conditions.

Stringent performance criteria are set both for the variable component and for long-term incentive plans, maintaining a link between the Group's performance and the compensation of its executives in the short, medium and long term and contributing to the Company's strategy and sustainability.

4.2.1.1 Compensation of the Chairman of the Board of Directors

The 2024 compensation structure of the Chairman of the Board of Directors complies with the compensation policy set out in Section 4.2.3.1 of the 2023 Universal Registration Document and previously approved by the Shareholders' Meeting of April 30, 2024.

For his term of office as Chairman of the Board, Jean-Pierre Clamadieu received annual fixed compensation. He does not receive variable compensation, nor does he receive compensation for his participation in the work of the Board and its committees. He received social security coverage and health care coverage and, in addition, received a benefit in kind in the form of a company car.

Fixed annual compensation in 2024

Jean-Pierre Clamadieu, Chairman of the Board of Directors, received €450,000 in compensation.

2024 variable compensation

Jean-Pierre Clamadieu, Chairman of the Board of Directors, receives no variable compensation in respect of his office, in accordance with the compensation policy which stipulates that the compensation of the Chairman of the Board will not include any annual variable compensation.

Long-term incentive compensation (Performance Shares)

Jean-Pierre Clamadieu, Chairman of the Board of Directors, was not awarded any Performance Shares (PS) for 2024, in accordance with the compensation policy, which stipulates that the compensation of the Chairman of the Board will not include any long-term incentive plan.

Pension plans

Jean-Pierre Clamadieu is not covered by any supplementary pension plan in respect of his duties as Chairman of the Board of Directors.

Insurance and healthcare benefit plan

Jean-Pierre Clamadieu receives healthcare and social security coverage equivalent to the collective coverage provided for the ENGIE Group's senior executives in France (see Section 4.5).

Compensation for term of office as Director

Jean-Pierre Clamadieu, as a Director, does not receive any Directors' fees for sitting on the Board of Directors.

Employment contract, severance pay and non-compete clause

No employment contract has been concluded between Jean-Pierre Clamadieu, Chairman of the Board of Directors, and the Company or any Group company. No provision is made for compensation or benefits due or likely to be due as a result of a termination or change of function or for compensation relating to a non-compete clause.

Benefit in kind

Jean-Pierre Clamadieu has a company car.

4.2.1.2 Compensation of the Chief Executive Officer

The 2024 compensation structure for the Chief Executive Officer is in accordance with the compensation policy set out in Section 4.2.3 of the 2023 Universal Registration Document, approved by the Shareholders' Meeting of April 30, 2024.

It consists of annual fixed compensation, annual variable compensation and a long-term incentive plan (in the form of the award of Performance Shares). She receives coverage under social security and pension plans, in addition to a benefit in kind in the form of a company car.

BREAKDOWN OF COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

ANNUAL FIXED
(CASH)

€1M

ANNUAL VARIABLE
(CASH)

FINANCIAL CRITERIA
65%
Success rate: 139.2%

25% Free cash flow
Success rate: 140%

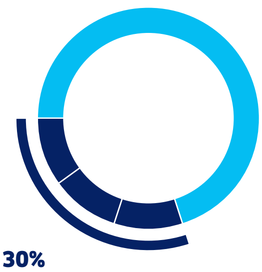
25% EBIT
Success rate: 136.6%

25% Net recurring income, Group share
Success rate: 140%

25% Economic net debt
Success rate: 140%

NON-FINANCIAL CRITERIA
35%
Success rate: 116.5%

70%
Strategic and operational objectives
Success rate: 120%



30%
ESG criteria:
- Improvement in safety performance (10%)
  Success rate: 100%
- GHG[1] emissions related to energy production (10%)
  Success rate: 140%
- Proportion of women among managers hired (10%)
  Success rate: 85%

Amount to be paid for 2024: €1,312,000
Maximum amount: 140% of annual fixed component

LONG-TERM INCENTIVE
(PERFORMANCE SHARES)

PERFORMANCE SHARES VESTED IN 2027

35%
Change in Total Shareholder Return (TSR) over 3 years vs. Eurostoxx Utilities index

35%
ROACE

30%
ESG criteria at end 2026[2]:
- GHG emissions related to energy production and the use of products sold (gas sales) (15%)
- Renewables installed capacity (5%)
- Proportion of women among Group managers (10%)

Performance Shares granted for 2024: 120,000 shares valued at €1,364,400 at grant date
Maximum amount: 144,000 Performance Shares

(1) *Greenhouse gas.*
(2) *In line with the trajectory established to reach the 2030 target.*

Fixed annual compensation in 2024

The fixed annual compensation of Catherine MacGregor, Chief Executive Officer, was set at €1,000,000.

2024 variable compensation [ESRS 2 – GOV-3]

The structure of the Chief Executive Officer's target annual variable compensation for 2024 paid in 2025 remained unchanged. The target amount of variable compensation is €1,000,000, corresponding to 100% of her fixed compensation for a 100% achievement rate of her objectives; this variable compensation is capped at €1,400,000 or 140% of her fixed annual compensation. Her variable compensation breaks down into two components: a financial component (65%) and a non-financial component (35%).

For the financial component, the criteria used are net recurring income/(loss) Group share (25%), EBIT (25%), free cash flow (25%) and economic net debt (25%). The financial targets for 2024 were based on the Group's provisional budget as prepared by the Board of Directors on February 21, 2024.

The non-financial component includes:

- the Group's strategic and operational objectives (70%): the continued rollout of the ENGIE One Safety transformation plan, on the development of priority digital solutions for the business, on talent development and on the completion of the project related to nuclear activities in Belgium;
- quantifiable ESG criteria (30%):
  - improvement in safety performance compared to 2023 (10%),
  - GHG emissions related to energy production (10%),
  - 37% women among managers hired (10%).

At its meeting of February 26, 2025, the Board of Directors, on the recommendation of the ACGC, noted the success rates shown in the table below. The payment of variable compensation for 2024 is contingent on the approval of the Shareholders' Meeting that will take place on April 24, 2025.

	Weighting	Payment rate	Board assessment
FINANCIAL PERFORMANCE BREAKS DOWN AS FOLLOWS, BASED ON QUANTIFIABLE CRITERIA:			65% of the annual variable compensation
Net recurring income/(loss) Group share	25%	140%	The Board of Directors noted that the objectives had been exceeded: • Net recurring income/(loss) Group share stands at €5,531 million, higher than the 2024 target of €4,641 million, the ceiling of 140% is reached; • EBIT stands at €10,341 million, higher than the 2024 target of €9,473 million, the rate of achievement is 136.6%; • FCF stands at €10,381 million, higher than the 2024 target of €7,857 million, the ceiling of 140% is reached; • Economic net debt stands at €47,874 million, the 2024 target totaled €51,899 million, the ceiling of 140% is reached.
EBIT	25%	136.6%	
FCF	25%	140%	
Economic net debt	25%	140%	
Subtotal (base of 100%)	**100%**	**139.2%**	**Ranging from 0% to 140%**
NON-FINANCIAL PERFORMANCE BREAKS DOWN AS FOLLOWS, BASED ON QUALITATIVE AND QUANTIFIABLE CRITERIA:			35% of the annual variable compensation
Strategic and operational objectives of the Group (qualitative criteria) • Continued rollout of ENGIE One Safety transformation plan • Development of priority digital solutions for the business • Talent development • Completion of the project related to nuclear activities in Belgium	70%	120%	The Board of Directors assessed achievement at 120%, considering that the objectives had been exceeded. In particular, the following elements were considered: • the rollout of the ENGIE One Safety transformation plan continued in 2024, with positive results. These results are both operational, with a lower frequency rate and fatality rate than in 2023, and cultural; • Digital's contribution to business performance was significant; • ENGIE has validated and deployed its new People Development Strategy aimed at identifying its employees' potential and accelerating their career development; • the project related to nuclear activities in Belgium is in the process of completion.
ESG criteria (quantifiable criteria) • Improvement in safety performance compared to 2023 (10%) • GHG emissions related to energy production (10%) • 37% women among managers hired (10%)	30%	108.3%	With regard to safety performance, assessed by a set of metrics (frequency rate, number of fatal accidents, fatality rate, etc.), the Board of Directors set a rate of achievement of 100%. The objectives relating to climate and diversity are quantitative objectives. In terms of climate, the Group emitted 48.3 Mt CO_2 for a target of 55.6 Mt CO_2; the rate of achievement is 140%. As regards diversity, of the managers recruited in 2024, 36.7% were women, the target being 37%; the rate of achievement is 85%.
Subtotal (base of 100%)	**100%**	**116.5%**	**Ranging from 0% to 140%**
TOTAL VARIABLE PORTION FOR 2024	**100%**	**131.2%**	
TOTAL TO BE PAID *(IN EUROS)*	**100%**	**€1,312,000**	**I.E., THE EQUIVALENT OF 131.2% OF THE REFERENCE FIXED COMPENSATION OF €1,000,000**

Long-term incentive compensation (Performance Shares)

The ACGC, following the recommendations of the Afep-Medef Code, which seek to promote the long-term engagement of executives, recommended to the Board of Directors that the executive corporate officers' compensation include a long-term incentive component, provided that this is reasonable and subject to strict performance conditions, and is comparable to that of other beneficiaries.

The Board of Directors decided on February 14, 2021, that this component may not, when initially awarded, represent more than 50% of the Chief Executive Officer's overall compensation (fixed and variable compensation and Performance Shares).

The allocation as of 2022 of Performance Shares (PS) to the Chief Executive Officer in substitution for the Performance Units (PU) from which she previously benefited, helped complete the alignment of the Chief Executive Officer's long-term incentive with that of members of the Executive Committee, senior executives and other employees who receive Performance Shares. The volume of the allocation to the target remains unchanged (120,000 PS in substitution for 120,000 PU).

2024 award

On the recommendation of the ACGC, the Board of Directors decided on April 30, 2024, in accordance with the delegation granted by the Ordinary and Extraordinary Shareholders' Meeting on April 30, 2024, in its 28th resolution, to grant 120,000 PS to the Chief Executive Officer at a target of up to 120% in the event of outperformance. The PS granted for 2024 were valued at €11.37 per share at the grant date pursuant to IFRS 2, for a total amount of €1,364,400.

Pension plans

Catherine MacGregor, the Chief Executive Officer, continues to benefit from a supplementary pension plan, under which the Company does not guarantee the amount of the pension but pays an annual employer contribution, half of which comprises contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82 of the French Tax Code) and half of which is a cash sum, given the immediate taxation on commencement of this mechanism. The employer contribution corresponds to 25% of the sum of the fixed compensation and the actual variable compensation accrued for the given year. It will also depend on the Company's performance, since the calculation base includes the variable portion linked to the Group's results.

The Chief Executive Officer also benefits from the mandatory pension plan (Article 83 of the French Tax Code) applicable to all Group senior executives. The contribution for 2024 is €29,676.

Insurance and healthcare benefit plan

The Chief Executive Officer receives social security and healthcare coverage equivalent to the collective coverage provided for the ENGIE Group's senior executives in France.

Compensation for term of office as Director

Catherine MacGregor, as a Director, does not receive any Directors' fees for sitting on the Board of Directors.

Employment contract, severance pay and non-compete clause

No employment contract has been concluded between Catherine MacGregor, Chief Executive Officer, and the Company or a Group company.

In the event of departure from the Group, the Chief Executive Officer will be bound by a non-compete commitment for a period of one year from the end of her term of office and will receive one year's compensation payable in 12 monthly installments. The Board of Directors may waive the application of this clause at the time of the Chief Executive Officer's departure.

In the event of forced departure not resulting from serious misconduct on the part of the Chief Executive Officer, and regardless of the form of such departure, the Chief Executive Officer shall receive an indemnity of two years' compensation, which shall be payable only if the performance conditions attached to the annual variable component of the compensation for the two years preceding the year of departure have been met by at least 90% on average.

With regard to Performance Shares that are not yet vested, in the event of termination of the corporate office:

- due to resignation, disability, or death, the unvested rights will be maintained;
- for any other reason for departure, the principle will be the loss of all unvested rights, unless decided otherwise by the Board of Directors. This possibility is in accordance with Article 26.3.3 of the Afep-Medef code, which states “when awarding them, the Board may include a provision authorizing it to rule on the maintenance or otherwise of long-term compensation plans not yet acquired, options not yet exercise or shares not yet vested at the time of departure of the beneficiary”.

All provisions of the Afep-Medef Code are applicable to the non-compete commitment and severance payments, in particular with regard to those two payments combined, which may not exceed two years of compensation. "Year of compensation" within the meaning of the non-compete commitment and severance payments referred to above means the last annual fixed compensation plus the annual variable compensation paid calculated on the basis of the average annual variable compensation paid for the two years preceding the year of departure.

Pursuant to Article 25.4 of the Afep-Medef Code, the payment of the non-compete indemnity will not apply if the Chief Executive Officer asserts her rights at retirement or over the age of 65.

Benefit in kind

Catherine MacGregor has a company car.

4.2.1.3 Summary of the compensation of the executive corporate officers for 2024

SUMMARY TABLE OF THE COMPENSATION OF THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

	2024		2023	
In euros	Amounts granted for 2024	Amount paid in 2024	Amounts granted for 2023	Amount paid in 2023
Jean-Pierre Clamadieu *Chairman*				
Fixed compensation	450,000	450,000	450,000	450,000
Variable compensation	0	0	0	0
Employer contribution to retirement plan	0	0	0	0
Exceptional compensation	0	0	0	0
Directors' fees	0	0	0	0
Benefits in kind	3,487	3,487	3,652	3,652
TOTAL	**453,487**	**453,487**	**453,652**	**453,652**

	2024		2023	
In euros	Amount granted for 2024	Amount paid in 2024	Amount granted for 2023	Amount paid in 2023
Catherine MacGregor *Chief Executive Officer*				
Fixed compensation	1,000,000	1,000,000	1,000,000	1,000,000
Variable compensation	1,312,000	1,305,000	1,305,000	1,136,000
Employer contribution to retirement plan	578,000	576,250	576,250	534,000
Exceptional compensation	0	0	0	0
Multi-annual variable compensation for Performance Units granted in 2021 (see details in Table 10)	0	1,775,364		
Directors' fees	0	0	0	0
Benefits in kind	6,192	6,192	6,192	6,192
TOTAL	**2,896,192**	**4,662,806**	**2,887,442**	**2,676,192**

SUMMARY TABLE OF THE COMPENSATION, OPTIONS AND SHARES AWARDED TO THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

In euros	2024	2023
Jean-Pierre Clamadieu *Chairman*		
Compensation granted for the year (detailed in the preceding table)	453,487	453,652
Valuation of options granted for the year	0	0
Valuation of Performance Shares granted for the year	0	0
Valuation of Performance Units granted for the year	0	0
TOTAL	**453,487**	**453,652**

In euros	2024	2023
Catherine MacGregor *Chief Executive Officer*		
Compensation granted for the year (detailed in the preceding table)	2,896,192	2,887,442
Valuation of options granted for the year	0	0
Valuation of Performance Shares granted for the year	1,364,400[(1)]	1,189,200[(1)]
Valuation of Performance Units granted for the year	0	0
TOTAL	**4,260,592**	**4,076,642**

(1) The Performance Shares granted for 2024 were valued at €11.37 per share according to IFRS 2, making a total of €1,364,400.

SUMMARY OF MULTI-ANNUAL VARIABLE COMPENSATION (OTHER THAN PERFORMANCE SHARES) OF EACH EXECUTIVE CORPORATE OFFICER

	2021	2022 to 2024
Jean-Pierre Clamadieu *Chairman*		
Multi-annual variable compensation	None	None

		2021	2022 to 2024
Catherine MacGregor *Chief Executive Officer*			
Multi-annual variable compensation in the form of Performance Units			
Award date	March 14, 2021		
Number	120,000 PU		
Performance conditions	Non-financial performance criteria, weighted at 80%: • growth in net recurring income/(loss) Group share over two years compared with a benchmark panel[1] (25%); • changes in Total Shareholder Return (TSR) (stock market performance, reinvested dividend) over three years compared with the same panel (25%); • return on capital employed (ROCE, renamed ROACE) (30%). Non-financial performance criteria, weighted at 20%: • reduction of GHG emissions from energy production (10%); • increase in renewable capacity (5%); • increase in the proportion of women in management (5%).		None
End of vesting period	March 14, 2024		
Rate of achievement	114% capped at 100%, i.e., 120,000 vested PUs		
End of PUs vesting period	March 14, 2027		
PUs vesting date	August 05, 2024		
Total amount from the vesting of PUs	€1,775,364 (two-thirds of the proceeds from the vesting of PUs, net of taxes and social contributions, were invested in ENGIE shares)		

(1) EDP, ENEL, Iberdrola, Naturgy, SNAM, RWE.

It should be noted that for 2021, Catherine MacGregor was granted 120,000 Performance Units (PUs), vesting on March 15, 2024, subject to her presence on March 14, 2024 and the fulfillment of quantifiable financial and non-financial performance conditions. At its meeting on February 21, 2024, the Board of Directors noted that the success rate for the performance conditions attached to these units was 114%, capped at 100%, i.e., 120,000 PUs.

The financial performance criteria, weighted at 80%, were of three types:

- growth in net recurring income/(loss) Group share over two years compared with a benchmark panel[1] (25%): the success rate was 120%;
- TSR (stock market performance, reinvested dividend) over three years compared with the same panel (25%): the success rate was 120%;
- return on capital employed (ROCE, renamed ROACE) (30%): the success rate was 120%.

The non-financial performance criteria, weighted at 20%, were of three types. The target objectives were those set out at the end of 2023 in the trajectory established to achieve the target objectives by 2030:

- reduction of GHG emissions from energy production (10%): the success rate was 120%;
- increase in the share of renewable capacity (5%): the success rate was 0%;
- increase in the percentage of women in management positions (5%): the success rate was 120%.

The Board of Directors noted that the overall success rate was 114%; it was capped at 100%.

Catherine MacGregor had three years, i.e., until March 14, 2027, to exercise the PUs. In the event she exercises such units, she will be required to reinvest two-thirds of the proceeds from such exercise, net of tax and social security withholdings, in ENGIE shares until the target for the holding of ENGIE shares is met, i.e., the equivalent of two years' fixed compensation. Catherine MacGregor vested the PUs on August 5, 2024 for a valuation of €1,775,364; two-thirds of the proceeds from the vesting of PUs, net of taxes and social contributions, were invested in ENGIE shares. She acquired 36,000 shares in this context.

(1) EDP, ENEL, Iberdrola, Naturgy, SNAM, RWE.

Summary table of employment contracts, special retirement plans, severance pay and non-compete clause

TABLE 11 – AMF POSITION-RECOMMENDATION – DOC-2021-02 (APPENDIX 2)

	Employment contract	Supplementary pension plan	Compensation or benefits due or likely to be due on termination or change of function	Compensation due under a non-compete clause
Jean-Pierre Clamadieu *Chairman*	No	No	No	No
Catherine MacGregor *Chief Executive Officer*	No	Yes (See Section 4.2.1.2)	Yes (See Section 4.2.1.2)	Yes (See Section 4.2.1.2)

4.2.1.4 Compensation components and benefits in kind paid in 2024 or awarded for the same year to the Chairman and the Chief Executive Officer of the Company, subject to shareholder approval (*ex-post*)

In accordance with Article L.22-10-34 II of the French Commercial Code, the Shareholders' Meeting of April 24, 2025, will vote on the fixed, variable and exceptional components of the total compensation and benefits of any kind paid in 2024, or awarded for 2024, to Jean-Pierre Clamadieu, Chairman of the Board, and Catherine MacGregor, Chief Executive Officer.

The variable or exceptional compensation components awarded for 2024 can only be paid after approval by the Shareholders' Meeting.

4.2.1.4.1 Compensation components and benefits of any kind paid in 2024 or awarded for the same year to Jean-Pierre Clamadieu, Chairman of the Board

Compensation components	Amounts paid in 2024	Amounts granted for 2024	Details
Fixed compensation	€450,000	€450,000	Jean-Pierre Clamadieu's fixed annual compensation amounts to €450,000.
Annual variable compensation	None	None	Jean-Pierre Clamadieu receives no annual variable compensation.
Multi-annual variable compensation	None	None	Jean-Pierre Clamadieu receives no multi-annual variable compensation.
Directors' fees	None	None	Jean-Pierre Clamadieu receives no Directors' fees.
Exceptional compensation	None	None	Jean-Pierre Clamadieu receives no exceptional compensation.
Allocation of stock options, Performance Shares and any other long-term compensation	None	None	Jean-Pierre Clamadieu is not allocated stock options, Performance Shares or any other long-term compensation.
Compensation associated with the commencement or termination of duties	None	None	Jean-Pierre Clamadieu receives no compensation associated with the commencement or termination of duties.
Supplementary pension plan	None	None	Jean-Pierre Clamadieu is not a beneficiary of any supplementary pension plan.
Benefits of any kind	€3,487	€3,487	Jean-Pierre Clamadieu has a company car.

4.2.1.4.2 Compensation components and benefits of any kind paid in 2024 or awarded for the same year to Catherine MacGregor, Chief Executive Officer

Compensation components	Amounts paid in 2024	Amounts granted for 2024	Details
Fixed compensation	€1,000,000	€1,000,000	Catherine MacGregor's fixed compensation was set at €1,000,000.

Annual variable compensation	€1,305,000	€1,312,000	The target annual variable compensation to be paid in 2025 for 2024 amounts to 100% of the fixed compensation (€1,000,000) for a 100% target achievement rate, with a maximum of 140% of the fixed compensation (€1,400,000) in the event that targets are exceeded.
			It breaks down into two components: a financial component (65%) and a non-financial component (35%).
			For the **financial component,** the criteria used are net recurring income/(loss) Group share (25%), EBIT (25%), free cash flow (25%) and economic net debt (25%). The financial targets for 2024 were based on the Group's provisional budget as prepared by the Board of Directors on February 21, 2024.
			The **non-financial component** includes:
			• the Group's strategic and operational objectives (70%): the continued rollout of the ENGIE One Safety transformation plan, on the development of priority digital solutions for the business, on talent development and on the completion of the project related to nuclear activities in Belgium;
			• quantifiable ESG criteria relating to:
			  • continued improvement in safety performance (10%),
			  • GHG emissions related to energy production (10%),
			  • 37% women among managers hired (10%).
			At its meeting of February 26, 2025, the Board of Directors, on the recommendation of the ACGC:
			• noted that the success rate of the financial criteria was 139.2% (broken down as follows: Net recurring income/(loss) Group share: 140%; EBIT: 136.6%; Free cash flow: 140%; Economic net debt: 140%);
			• set the success rate of non-financial criteria at 116.5% (broken down as follows: Group strategic and operational objectives: 120%; improved safety performance: 100%; GHG emissions related to energy production: 140%; 37% women among managers hired: 85%).
			Based on the respective weightings of the financial and non-financial criteria, the overall success rate was determined to be 131.2%, or €1,312,000. This variable compensation for 2024 will only be paid to Catherine MacGregor if approved by the shareholders at the Shareholders' Meeting of April 24, 2025.

Multi-annual variable compensation	€1,775,364	None	Catherine MacGregor did not receive any multi-annual variable compensation for 2024. The Performance Unit plan granted in 2021 has vested, leading to the settlement of the units and the payment of an amount of €1,775,364 (see Summary table of multi-annual variable compensation (other than Performance Shares) f each executive corporate officer).
Directors' fees	None	None	Catherine MacGregor did not receive any compensation for her term of office as a Director.
Exceptional compensation	None	None	Catherine MacGregor did not receive any exceptional compensation.
Allocation of stock options, Performance Shares and any other long-term compensation	None	Valuation: €1,364,400	Catherine MacGregor was awarded 120,000 Performance Shares, at a target of up to 120% in the event of outperformance, in respect of 2024 (see note on this theoretical valuation in Section 4.2.1.3), i.e., 0.005% of share capital at April 30, 2024.

Compensation components	Amounts paid in 2024	Amounts granted for 2024	Details
Compensation associated with the commencement or termination of duties	None	None	In the event of departure from the Group, the former Chief Executive Officer will be bound by a non-compete commitment for a period of one year from the end of her term of office and will receive one year's compensation payable in 12 monthly installments. The Board of Directors may waive the application of this clause at the time of the Chief Executive Officer's departure. In the event of forced departure not resulting from serious misconduct on the part of the Chief Executive Officer, and regardless of the form of such departure, the Chief Executive Officer shall receive an indemnity of two years' compensation, which shall be payable only if the performance conditions attached to the annual variable component of the compensation for the two years preceding the year of departure have been met by at least 90% on average. With regard to Performance Shares that are not yet vested, in the event of termination of the corporate office: • due to resignation, disability, or death, the unvested rights will be maintained; • for any other reason for departure, the principle will be the loss of all unvested rights, unless decided otherwise by the Board of Directors. This possibility is in accordance with Article 26.3.3 of the Afep-Medef code, which states "when awarding them, the Board may include a provision authorizing it to rule on the maintenance or otherwise of long-term compensation plans not yet acquired, options not yet exercise or shares not yet vested at the time of departure of the beneficiary". In addition, all provisions of the Afep-Medef Code are applicable to the non-compete commitment and severance payments, in particular with regard to those two payments combined, which may not exceed two years of compensation. "Year of compensation" within the meaning of the non-compete commitment and severance payments referred to above means the last annual fixed compensation plus the annual variable compensation paid calculated on the basis of the average annual variable compensation paid for the two years preceding the year of departure.
Supplementary pension plans	€576,250	€578,000	The Chief Executive Officer continues to benefit from a supplementary pension plan, under which the Company does not guarantee the amount of the pension but pays an annual employer contribution, half of which comprises contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82 of the French Tax Code) and half of which is a cash sum, given the immediate taxation on commencement of this mechanism. The employer contribution corresponds to 25% of the sum of the fixed compensation and the actual variable compensation accrued for the year. It will also depend on the Company's performance, since the calculation base includes the variable portion linked to the Group's results. The employer contribution for 2024 amounts to €578,000 and will be paid in 2025 subject to a favorable vote from the shareholders at the Shareholders' Meeting on April 24, 2025.
Benefits of any kind	€6,192	€6,192	Catherine MacGregor benefited from the use of a company car.

It should also be noted that for 2022, Catherine MacGregor was granted 120,000 Performance Shares (PS), vesting on March 15, 2025, subject to her continued service on March 14, 2025 and the fulfillment of quantifiable financial and non-financial performance conditions. At its meeting on February 26, 2025, the Board of Directors noted that the success rate for the performance conditions attached to these shares was 90%, i.e., 108,000 PS.

The financial performance criteria, weighted at 80%, were of three types:

- growth in net recurring income, Group share over two years compared with a benchmark panel[1] (25%): the success rate was 0%;
- total shareholder return (TSR) (stock market performance, reinvested dividend) over three years compared with the same panel (25%): the success rate was 120%;
- return on capital employed (ROCE, renamed ROACE) (30%): the success rate was 120%.

The non-financial performance criteria, weighted at 20%, were of three types. The target objectives were those set out at the end of 2024 in the trajectory established to achieve the target objectives by 2030:

- reduction of GHG emissions from energy production (10%): the success rate was 120%;
- increase in the share of renewables capacity (5%): the success rate was 120%;
- increase in the percentage of women in management positions (5%): the success rate was 120%.

Vested Performance Shares are subject to a one-year lock-up period, i.e., up to and including March 14, 2026.

4.2.1.5 Tables comparing the compensation of the executive corporate officers with that of employees – Annual changes in performance and compensation

The equity ratios were calculated taking into account the guidelines published by the Afep in February 2021. Calculations are made by function: Chairman and Chief Executive Officer.

Calculation of the numerator: the compensation considered for each corporate officer includes the fixed compensation paid in year Y, the variable compensation paid in Y for Y-1, various bonuses and benefits in kind, excluding severance payments, and Performance Shares and Performance Units granted in Y at IFRS valuation, excluding items relating to company pensions.

Calculation of the denominator: the parent company ENGIE SA is neither representative of the Group's workforce nor of its activity. The denominator is therefore the average compensation in France of employees (fixed compensation + variable components) on permanent and fixed-term contracts counted on a full-time equivalent basis, excluding work-study students. Before 2021, two entities that were sold were not included: LNG and E&P. In 2022, a significant change in scope was to be noted, as EQUANS was not included in the data presented for 2022.

The average compensation has been calculated from the aggregated data of the Group Social Reporting; as the Group is made up of several companies with different pay systems, the median compensation cannot be calculated in the absence of a single database listing individual compensation data.

For the Group, the relevant equity ratio is the one that compares the total compensation of the Chairman and that of the Chief Executive Officer with the average compensation of all employees in France.

(1) *EDP, ENEL, Iberdrola, Naturgy, SNAM, RWE.*

Compensation multiples for the office of Chairman

TABLE OF RATIOS RELATING TO I.6 AND 7 OF ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE[1]

In euros	2020	2021	2022[2]	2023	2024
Compensation for the **Office of Chairman:**	450,000	450,000	451,826	453,652	453,487
Change from the previous year	4%	0%	0.4%	0.4%	0.0%
INFORMATION ON THE SCOPE OF CONSOLIDATION OF THE LISTED COMPANY – NOT REPRESENTATIVE IN TERMS OF ACTIVITY AND THE NUMBER OF EMPLOYEES					
Average employee compensation	76,791	77,142	80,849	89,842	88,414
Change from the previous year	4%	0%	5%	11%	-2%
Median employee compensation	72,571	66,967	67,673	68,068	67,235
Ratio to average employee compensation	-	-	-	-	-
Change from the previous year	-	-	-	-	-
Ratio to median employee compensation	-	-	-	-	-
Change from the previous year	-	-	-	-	-
ADDITIONAL INFORMATION ABOUT THE EXPANDED SCOPE OF CONSOLIDATION (FRANCE)[2]					
Average employee compensation	46,870	48,278	56,997	61,009	61,182
Change from the previous year	1%	3%	18%	7%	0%
Median employee compensation					
Ratio to average employee compensation	9.6	9.3	7.9	7.4	7.4
Change from the previous year	3%	-3%	-15%	-6%	0%
Ratio to median employee compensation					
Change from the previous year	-	-	-		
COMPANY PERFORMANCE					
EBIT[3]	-16%	47%	43%	11.5%	3.3%
Change from the previous year	-214%	194%	-9%	-73%	-71%
ROACE[4]	5.45%	8.90%	12.60%	11.60%	11.00%
Change from the previous year	-11%	63%	42%	-8%	-5%
NRIgs *(in billion euros)*	1.70	3.20	5.22	5.37	5.53
Change from the previous year	-31%	85%	65%	3%	3%

(1) In reference to the Afep guidelines updated in February 2021.
(2) The 2022 data on the Company's compensation and performance do not include EQUANS.
(3) Formerly "COI" (Current Operating Income): indicator renamed "EBIT" without changing the calculation methodology.
(4) Formerly "ROCE": indicator renamed "ROACE" without changing the calculation methodology.

Compensation multiples for the office of Chief Executive Officer

TABLE OF RATIOS RELATING TO I.6 AND 7 OF ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE[1]

Full-year Y-1	2020	2021	2022[2]	2023	2024
Compensation for the **Office of Chief Executive Officer:** Catherine MacGregor was appointed on January 1, 2021. In 2020, Claire Waysand was acting Chief Executive Officer.	1,287,669	2,608,350	3,169,992	3,331,392	3,675,592
Change from the previous year	-50%	103%	22%	5%	10%
INFORMATION ON THE SCOPE OF CONSOLIDATION OF THE LISTED COMPANY – NOT REPRESENTATIVE IN TERMS OF ACTIVITY AND THE NUMBER OF EMPLOYEES					
Average employee compensation	76,791	77,142	80,849	89,842	88,414
Change from the previous year	4%	0%	5%	11%	-2%
Median employee compensation	72,571	66,967	67,673	68,068	67,235
Ratio to average employee compensation	-	-	-	-	-
Change from the previous year	-	-	-	-	-
Ratio to median employee compensation	-	-	-	-	-
Change from the previous year	-	-	-	-	-
ADDITIONAL INFORMATION ABOUT THE EXPANDED SCOPE OF CONSOLIDATION (FRANCE)					
Average employee compensation	46,870	48,278	56,997	61,009	61,182
Change from the previous year	1%	3%	18%	7%	0%
Median employee compensation					
Ratio to average employee compensation	27.5	54.0	55.6	54.6	60.1
Change from the previous year	-51%	97%	3%	-2%	10%
Ratio to median employee compensation					
Change from the previous year	-	-	-	-	-
COMPANY PERFORMANCE					
EBIT[3]	-16%	47%	43%	11.5%	3.3%
Change from the previous year	-214%	194%	-9%	-73%	-71%
ROACE[4]	5.45%	8.90%	12.60%	11.60%	11.00%
Change from the previous year	-11%	63%	42%	-8%	-5%
NRIgs *(in billion euros)*	1.70	3.20	5.22	5.37	5.53
Change from the previous year	-31%	85%	65%	3%	3%

(1) In reference to the Afep guidelines updated in February 2021.
(2) The 2022 data on the Company's compensation and performance do not include EQUANS.
(3) Formerly "COI" (Current Operating Income): indicator renamed "EBIT" without changing the calculation methodology.
(4) Formerly "ROCE": indicator renamed "ROACE" without changing the calculation methodology.

Note: in accordance with the Afep guidelines updated in February 2021, multi-annual variable compensation, such as Performance Units, is valued and accounted for in the equity ratio calculation in the year of grant (IFRS valuation).

4.2.2 Directors' compensation for 2024

The compensation for Directors below will be submitted for shareholder approval at the Shareholders' Meeting of April 24, 2025, in accordance with Article L.22-10-9 of the French Commercial Code.

As a reminder, on the recommendation of the Board of Directors, the Shareholders' Meeting sets the total annual amount of Directors' compensation to be distributed by the Board among its members, i.e., €1.6 million approved by the Shareholders' Meeting in April 2024.

It should also be noted that the Chairman of the Board of Directors and the Chief Executive Officer do not receive compensation for their term of office as Director.

The allocation rules applied have been approved by the April 26, 2023 Shareholders' Meeting, and are presented below.

Director		Fixed portion	€16,500 per year
		Variable portion, dependent on attendance	€60,500[(1)], if 100% attendance
Audit Committee	Chairman	Fixed portion	€16,500 per year
		Variable portion, dependent on attendance	€48,400[(1)], if 100% attendance
	Committee member	Fixed portion	€5,500 per year
		Variable portion, dependent on attendance	€24,200[(1)], if 100% attendance
ITC	Chairman	Fixed portion	€11,000 per year
		Variable portion, dependent on attendance	€30,520[(1)], if 100% attendance
	Committee member	Fixed portion	€5,500 per year
		Variable portion, dependent on attendance	€18,150[(1)], if 100% attendance
EESDC	Chairman	Fixed portion	€11,000 per year
		Variable portion, dependent on attendance	€24,200[(1)], if 100% attendance
	Committee member	Fixed portion	€5,500 per year
		Variable portion, dependent on attendance	€18,150[(1)], if 100% attendance
ACGC	Chairman	Fixed portion	€11,000 per year
		Variable portion, dependent on attendance	€24,200[(1)], if 100% attendance
	Committee member	Fixed portion	€5,500 per year
		Variable portion, dependent on attendance	€18,150[(1)], if 100% attendance

(1) Variable portion increased by 25% for European non-residents and 50% for non-European non-residents, in the event of physical attendance at meetings.

4.2.2.1 Compensation of Directors appointed by the Shareholders' Meeting

The non-executive corporate officers were awarded the compensation shown in the table below for 2024. Unless otherwise indicated, no other compensation was awarded to them by the Company or by its subsidiaries for that year.

In euros	**2024[(1)]**	**2023[(1)]**
Fabrice Brégier	100,650[(2)]	98,381[(2)]
Marie-Claire Daveu	112,200[(2)]	106,425[(2)]
Patrice Durand[(3)]	85,553[(2)(4)]	85,553[(2)(4)]
Michel Giannuzzi[(5)]	95,036[(2)(4)]	-
Mari-Noëlle Jégo-Laveissière[(3)]	-	21,307[(2)(4)]
Françoise Malrieu	-	51,290[(2)]
Ross McInnes	189,200[(2)]	174,861[(2)]
Lucie Muniesa[(3)]	75,982[(2)(4)]	47,451[(2)(4)]
Marie-José Nadeau	203,867[(6)]	240,706[(6)]
Lord Peter Ricketts of Shortlands[(7)]	32,553[(6)]	111,630[(6)]
TOTAL	**895,041**	**937,604**

(1) Directors' compensation due for a given year is paid during the same year.
(2) Before deduction of withholding tax relating to tax and social contributions.
(3) Director appointed from the private sector by the Shareholders' Meeting on the proposal of the French State.
(4) Appointment proposed by the French State, as such, these Directors only receive 85% of the compensation. The remaining 15% is paid to the French State.
(5) Appointed during the April 30, 2024 Shareholders' Meeting – compensated pro rata.
(6) Before deduction of withholding tax levied on Directors' fees paid to Directors residing outside France.
(7) End of term of office at the April 30, 2024 Shareholders' Meeting – compensated pro rata.

4.2.2.2 Compensation of the Director representing the French State and the Directors appointed by the Shareholders' Meeting on proposal of the French State

The Director representing the French State, in her role as civil servant, Céline Fornaro, did not personally receive any compensation from the Company or from any of its subsidiaries for their term of office in 2024, in accordance with Article 5 of Order No. 2014-948 of August 20, 2014, concerning the governance and equity transactions of companies with a public shareholder. The compensation for her term of office amounted to €150,975 and was paid directly into the French State's budget.

The Directors from the private sector appointed by the Shareholders' Meeting on the proposal of the French State, namely Patrice Durand and Lucie Muniesa, received 85% of the compensation corresponding to their office, pursuant to the ministerial order of December 28, 2014, as amended by the ministerial order of January 5, 2018, taken in application of Article 6 of Order No. 2014-948 of August 20, 2014 concerning governance and equity operations of companies with a public shareholder (see the table above). The remaining 15% of their compensation amounted to a total of €28,507 and was paid into the French State's budget.

In respect of the foregoing, the Directors' compensation corresponding to these offices, i.e. a total amount of €179,482, was paid directly to the Public Treasury in compliance with regulations.

4.2.2.3 Compensation of Directors representing employees and employee shareholders

Directors representing employees and employee shareholders on the Board of Directors received no compensation (Directors' fees) from the Company or from its subsidiaries in consideration of their service as Directors.

These Directors are Christophe Agogué, Jacinthe Delage, Yoan Kosnar and Magali Viot.

4.2.3 2025 compensation policy for the executive corporate officers (*ex-ante* say on pay)

To determine the compensation and benefits granted to executive corporate officers, the Board of Directors refers, in particular, to the recommendations of the Afep-Medef Code. The Board of Directors ensures that the compensation policy respects the principles of comprehensiveness, balance, comparability, consistency, transparency and measurement, and takes into account market practices.

The compensation policy for executive corporate officers is determined by the Board of Directors based on the recommendations of the ACGC. It will be subject to a presentation and vote at the Annual Shareholders' Meeting of April 24, 2025, in accordance with Article L.22-10-8 of the French Commercial Code.

The compensation policy is reviewed annually by the ACGC and is based in particular on specific studies.

Pursuant to Article 5.3.1 of the Board's Internal Rules, executive corporate officers do not take part in meetings of the ACGC on matters relating to them.

In its recommendations to the Board of Directors, the ACGC seeks to recommend a compensation policy that is in line with the Company's interests and the practices of comparable major international groups for similar positions, based on a benchmark established by an external firm that includes CAC 40 and Eurostoxx 50 companies.

Pursuant to Article 10.6 of the Afep-Medef Code, the Chairman of the Board of Directors, as an Independent Director, does not receive variable compensation linked to the Company's performance. Compensation of the other executive corporate officers generally includes:

- a fixed component, which remains unchanged throughout the term of office, unless the Board of Directors, on the recommendation of the ACGC, decides otherwise;
- a variable component, balanced relative to total compensation, the purpose of which is to reflect the executive's personal contribution to the Group's development and results; and
- a long-term incentive component, subject to performance conditions.

Stringent performance criteria are set both for the variable component and for long-term incentive plans, maintaining a link between the Group's performance and the compensation of its executives in the short, medium and long term and contributing to the Company's strategy and long-term viability.

In accordance with current policy, the executive corporate officers do not receive compensation for their participation in the work of the Board and its committees.

If the approval rate for the compensation policy is less than 80% at the last Shareholders' Meeting, the ACGC looks at the reasons behind the vote of the shareholders that opposed the approval of this policy and any appropriate response to their vote. As a reminder, the Shareholders' Meeting of April 30, 2024 approved the compensation policy of the Chairman of the Board of Directors at 99.92% and of the Chief Executive Officer at 94.62%.

4.2.3.1 2025 compensation policy for the Chairman of the Board of Directors

The compensation of the Chairman of the Board of Directors for 2025 remains unchanged from 2024.

Fixed annual compensation

For 2025, the fixed compensation of the Chairman of the Board of Directors remains unchanged at €450,000.

Variable compensation

The compensation of the Chairman of the Board pf Directors does not include any variable compensation in respect of his office.

Long-term incentive compensation (Performance Shares)

The compensation of the Chairman of the Board of Directors does not include any annual or multi-year variable compensation or long-term incentive plans.

Pension plans

The Chairman of the Board of Directors will not be covered by any supplementary pension plan in respect of his duties.

Insurance and healthcare benefit plan

The Chairman of the Board of Directors will receive social security and healthcare coverage equivalent to the collective coverage provided for the ENGIE Group's senior executives in France.

Compensation for term of office as Director

The Chairman of the Board, as a Director, will not receive any directors' fees for sitting on the Board of Directors.

Employment contract, severance pay and non-compete clause

No employment contract has been concluded between the Chairman of the Board of Directors and the Company or any Group company. No provision is made for compensation or benefits due or likely to be due as a result of a termination or change of function or for compensation relating to a non-compete clause.

Benefit in kind

The Chairman of the Board will benefit from a company car.

4.2.3.2 Compensation of the Chief Executive Officer for 2025

The Chief Executive Officer's compensation includes a fixed component, a variable annual component and a long-term incentive component.

In accordance with Afep-Medef Code recommendations, the Chief Executive Officer's compensation package has remained unchanged throughout her first term of office, which began on January 1, 2021.

The Board of Directors recommends renewing Catherine MacGregor's term of office as a Director at the Shareholders' Meeting on April 24, 2025, with the intention of confirming her position as Chief Executive Officer at the close of the said Meeting. The Board considers it appropriate to review Catherine MacGregor's compensation package on the renewal of her term of office.

To determine the new compensation package of the Chief Executive Officer, the Board of Directors, on the recommendation of the Appointments, Compensation and Governance Committee (ACGC), has taken the following factors into account:

- **the significant improvement in the Group's performance since 2021**, in terms of both internal ESG and financial metrics, and external metrics such as the Total Shareholder Return (TSR); ENGIE ranked first among companies in its sector for the TSR metric between 2021 and 2024;
- **the result of analyses of market practices and the current positioning of the Chief Executive Officer's compensation** in relation to these: as the executive market is highly competitive and the Chief Executive Officer has an international background, the ACGC, supported by an external compensation consultancy, compared how the compensation of ENGIE's Chief Executive Officer is positioned relative to her peers and direct European or global competitors in the energy sector, and relative to the major industrial groups listed in Europe and France (CAC 40). This review, revealed that the Chief Executive Officer's current compensation was below market levels on each of these panels.

  In view of ENGIE's position in France, a panel of CAC 40 companies excluding the finance and luxury sectors has been selected. The panel includes the following companies: Air Liquide, Airbus, Bouygues, Carrefour, Danone, Essilor Luxottica, Legrand, L'Oréal, Michelin, Orange, Renault, Safran, Saint-Gobain, Sanofi, Schneider Electric, Thales, TotalEnergies, Veolia Environnement, Vinci, (the "benchmark market"). The target positioning in terms of overall compensation is the median of this panel, with ENGIE occupying, in 2024, respectively the 13th, 3rd and 12th place in terms of headcount, revenues and market capitalization ;
- **the desire to strengthen the correlation between performance and compensation** by linking a greater proportion of variable compensation to performance, in particular long-term compensation. This structure must ensure that the interests of the Chief Executive Officer are aligned with those of the shareholders, promoting long-term value creation. As a result, total remuneration is at the median of the benchmark market, with the sum of base salary and annual bonus being slightly below it.

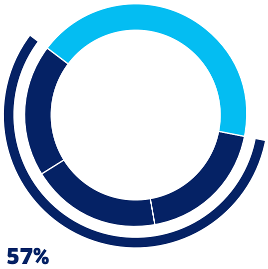
ANNUAL FIXED
(CASH)

€1,150,000

ANNUAL VARIABLE
(CASH)

FINANCIAL CRITERIA
65%

NON-FINANCIAL CRITERIA
35%



Maximum amount:
150% of the target annual variable component

LONG-TERM INCENTIVE
(PERFORMANCE SHARES)

PERFORMANCE SHARES VESTED IN 2028

Allocated target amount equivalent to 180% of the annual fixed component in accounting terms.
The success rate could reach 120% maximum.

(1) In line with the trajectory established to reach the 2030 target.

Fixed annual compensation

The Chief Executive Officer's fixed annual compensation is set at €1,150,000, representing a 15% increase on the current amount decided in 2021, placing it between the first quartile and the median of the benchmark market. It will apply retroactively as from January 1, 2025, subject to approval by the Shareholders' Meeting of April 24, 2025.

It was determined according to the role, experience and benchmark market of the Chief Executive Officer, particularly in relation to the fixed compensation of executive corporate officers of groups similar to ENGIE in terms of size and scope, and, more generally, on the basis of the above benchmark. It remains unchanged for the duration of the term of office, which is four years, unless the Board of Directors, on the recommendation of the ACGC, votes otherwise, in particular with regard to the market context, or any changes in ENGIE's profile or Group employee compensation.

Annual variable compensation

The annual variable component is designed to reflect the executive's personal contribution to the Group's development and results. It is balanced in relation to the fixed component and determined as a percentage of fixed compensation.

To strengthen the link between performance and compensation, the target variable component is set at 110% of fixed compensation (i.e., 10 points above target) and capped at 150% (i.e., an additional 10 points maximum).

The target annual variable component amounts to 110% of the fixed compensation (€1,265,000) for a 100% target achievement rate, with a maximum of 150% of the target variable component (€1,897,500) in the event that targets are exceeded. It is calculated annually, according to the Chief Executive Officer's performance, using financial criteria to compensate economic performance (65%), and non-financial criteria (35%), where at least one criterion reflects the Group's ESG objectives, in accordance with ENGIE's Company purpose as stated in the bylaws.

For the **financial component**, the criteria used are net recurring income/(loss) Group share (25%), EBIT (25%), free cash flow (25%) and economic net debt (25%). The financial targets for 2025 were based on the Group's provisional budget as prepared by the Board of Directors on February 26, 2025.

[ESRS 2 – GOV-3] The **non-financial component** is based on the progress of the work carried out on the Group's strategic and operational objectives and quantifiable ESG criteria. In line with ENGIE's purpose (*raison d'être*), the proportion of quantifiable ESG criteria in the Chief Executive Officer's compensation has been increased from 10.5% to 20% of the total annual variable compensation. The proportion of strategic and operational objectives, which are qualitative objectives, has been reduced from 24.5% to 15%.

Work on the Group's strategic and operational objectives must focus in particular on delivering the transformation plan, achieving business objectives and implementing digital projects.

ESG criteria include:

- Lost Time Injury Rate (7%);
- GHG emissions (7%), for which the scope of analysis has been broadened to include commodity sales in addition to energy production; the objectives are in line with the pathway established to achieve the 2030 target;
- 38% women among managers hired (6%).

Long-term incentive compensation (Performance Shares)

The Chief Executive Officer's long-term incentive component takes the form of Performance Shares subject to the same performance conditions as those attached to the Performance Share plans for certain employees. These performance conditions are all specific and quantifiable. They include at least one non-financial performance condition that reflects the Group's ESG objectives, in accordance with the Company's purpose as stated in the bylaws. This long-term incentive component is designed to encourage executives to make a long-term commitment as well as to increase their loyalty and align their interests with the Company's corporate interests and the interests of shareholders. This particular component may not account for more than 50% of the executive's total compensation at the initial award.

In accordance with Article 26.3.3 of the Afep-Medef Code, the Chief Executive Officer formally undertakes not to use hedging mechanisms for these Performance Shares. It should be noted that the Chief Executive Officer's target is to create a portfolio of ENGIE shares equivalent to two years' fixed compensation, i.e. €2,300,000. Until this target is met, two-thirds of the Performance Shares vested to the Chief Executive Officer will be non-transferable. At December 31, 2024, the Chief Executive Officer held 106,000 ENGIE shares, including 36,000 acquired through the settlement of Performance Units in August 2024.

The target amount valued and granted to the Chief Executive Officer is set at 180% of fixed annual compensation in accounting terms (in application of IFRS 2). The number of shares that vest at the end of the plan may represent up to 120% in the event of outperformance, without offsetting the performance of one criterion against another.

As part of the Performance Share plan granted in respect of 2025, and in accordance with the authorization given by the Shareholders' Meeting of April 30, 2024, the Board of Directors, meeting on February 26, 2025, decided, on the recommendation of the ACGC, to grant Performance Shares to the Chief Executive Officer, the target amount of which corresponds to 180% of fixed annual compensation in accounting terms (in application of IFRS 2). The number of shares that vest at the end of the plan may represent up to 120% in the event of outperformance, without offsetting the performance of one criterion against another.

All the shares granted will vest subject to a service condition, applicable up to and including March 14, 2028, on top of the performance conditions set out below.

Performance conditions

All the shares granted in respect of 2025 will vest subject to the performance conditions set out below.

Financial performance conditions, accounting for 70% of the total performance conditions and relating to:

- changes in TSR (stock market performance, reinvested dividend) over three years compared with the Eurostoxx Utilities index (constituting 35% of the total performance conditions). The observation of the TSR over the three-year period will be carried out, initially, with a reference price corresponding to the average of the index and the ENGIE share price for a defined period of several weeks preceding the first day of the month of allocation and, in the same way, three years later
- the average annual ROACE (Return On Average Capital Employed) targets in the Medium-Term Business Plan (MTP) over the three years of the plan (constituting 35% of the total performance conditions).

[ESRS 2 – GOV-3] Exclusively quantifiable **non-financial performance conditions** (together constituting 30% of the total performance conditions), selected for consistency with the Company's purpose as stipulated in its bylaws, i.e.:

- GHG emissions across the carbon footprint (15%);
- renewables installed capacity (5%);
- the proportion of women among Group managers (10%).

The target objectives are in line with the trajectory established to achieve the target objectives by 2030. As with the plan granted in 2024, the portion allocated to non-financial performance conditions is 30%, representing an increase of 10 points compared to the 2022 plan. The scope of analysis of GHG emissions has been broadened to cover the Group's entire carbon footprint. In the 2024 plan, the scope of analysis was limited to energy production and gas sales.

This plan, these performance conditions and their weighting, support the implementation of ENGIE's long-term strategy, both financially and non-financially.

Success rate

For each performance condition, there is a threshold, below which the success rate is 0%, a target at which the success rate is 100% and a ceiling associated with a success rate of 120%. The progression between the points is linear.

Therefore, the success rate of each criterion can range from 0% to 120%, without the possibility of offsetting the performance of one criterion with the underperformance of another; the overall success rate can range from 0% to 120%. Accordingly, the number of shares can range from 0% to 120% of the target number allocated.

The **TSR** success rate is:

- 75% for a result equal to that of the index (threshold);
- 100% for a result equal to 105% of the index (target);
- 120% for a result equal to or greater than 120% of the index (ceiling).

The **ROACE** success rate is:

- equal to zero for a result less than or equal to the threshold;
- 100% for a result equal to the target;
- 120% for a result equal to or greater than the ceiling.

With regard to **non-financial performance conditions**, the slopes follow the same rules as those applied to the ROACE.

For the ROACE indicator and non-financial performance conditions, the Board stringently defines limits corresponding to a success rate of 0% and a maximum rate of 120% according to medium-term targets and the specific nature of each of these indicators.

Exceptional adjustment

The determination of the above performance criteria derives from the Board of Directors' commitment to the variable nature of the long-term incentive component which rewards financial and non-financial performance in the medium and long term. They are therefore not meant to be reviewed. However, in the event of exceptional circumstances (such as a change in accounting standards, a significant change in scope, the completion of a transformative transaction, a substantial change in market conditions or an unforeseen change in the competitive environment), the Board of Directors may adjust upward or downward the results of one or more of the performance criteria associated with the long-term incentive component to ensure that the results of applying these criteria reflect the Group's performance. This adjustment would be made by the Board of Directors on the recommendation of the ACGC, once the Board of Directors had been assured that the adjustment can reasonably restore the balance or objective initially sought, adjusted for all or part of the impact of the event on the period under review and that the interests of the Company and its shareholders are aligned with the interests of the executive corporate officers. The Board would then justify, in detail, the adjustments made, which would be communicated.

The application of these exceptional adjustments, if any, will be subject to the approval of the Shareholders' Meeting.

Pension plans

The Chief Executive Officer will benefit from a supplementary pension plan, under which the Company does not guarantee the amount of the pension but pays an annual employer contribution, half of which comprises contributions paid to a third-party organization under an optional defined contribution pension plan (Article 82) and half of which is a cash sum, given the immediate taxation on commencement of this mechanism. The employer contribution will correspond to 25% of the sum of the fixed compensation and the actual variable compensation accrued for the year. It will also depend on the Company's performance, since the calculation base includes the variable portion linked to the Group's results.

The Chief Executive Officer will also benefit from the mandatory pension plan (Article 83 of the French Tax Code) applicable to all Group senior executives.

Insurance and healthcare benefit plan

The Chief Executive Officer will receive social security and healthcare coverage equivalent to the collective plans provided for the ENGIE Group's senior executives in France.

Compensation for term of office as Director

The Chief Executive Officer, if also a Director, will not receive any directors' fees for sitting on the Board of Directors.

Arrangements related to termination of the term of office of Chief Executive Officer

In the event of departure from the Group, the former Chief Executive Officer will be bound by a non-compete commitment for a period of one year from the end of her term of office and will receive one year's compensation payable in 12 monthly installments. The Board of Directors may waive the application of this clause at the time of the Chief Executive Officer's departure.

In the event of forced departure not resulting from serious misconduct on the part of the corporate officer, and regardless of the form of such departure, the Chief Executive Officer shall receive an indemnity of two years' compensation, which shall be payable only if the performance conditions attached to the annual variable component of the compensation for the two years preceding the year of departure have been met by at least 90% on average.

With regard to Performance Shares that are not yet vested, in the event of termination of the corporate office:

- due to resignation, disability, or death, the unvested rights will be maintained;
- for any other reason for departure, the principle will be the loss of all unvested rights, unless decided otherwise by the Board of Directors. This possibility is in accordance with Article 26.3.3 of the Afep-Medef code, which states “when awarding them, the Board may include a provision authorizing it to rule on the maintenance or otherwise of long-term compensation plans not yet acquired, options not yet exercised or shares not yet vested at the time of departure of the beneficiary”.

In addition, all provisions of the Afep-Medef Code will be applicable to the non-compete commitment and severance payments, in particular with regard to those two payments combined, which may not exceed two years of compensation. "Year of compensation" within the meaning of the non-compete commitment and severance payments referred to above means the last annual fixed compensation plus the annual variable compensation paid calculated on the basis of the average annual variable compensation paid for the two years preceding the year of departure.

Pursuant to Article 25.4 of the Afep-Medef Code, the payment of the non-compete indemnity will not apply if the Chief Executive Officer asserts their rights at retirement or over the age of 65.

Benefit in kind

The Chief Executive Officer will benefit from the use of a company car.

4.2.4 2025 compensation policy for Directors

Annual compensation amount for Directors

The Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024 set the annual amount of Directors' compensation at €1.6 million.

Rules for allocation of Directors' compensation

The rules for the allocation of Directors' compensation remain unchanged from those voted for by the Shareholders' Meeting of April 26, 2023 (see Section 4.2.2 "Directors' compensation for 2024").

4.2.5 Compensation of executives who are not corporate officers (members of the Executive Committee)

Compensation of executives who are not corporate officers (members of the Executive Committee) is composed of a fixed portion and a variable portion.

Changes in the fixed portion of compensation are linked to changes in specific situations, expansion or significant change in responsibilities and to repositioning made necessary in view of internal equity or a clear discrepancy vis-à-vis the external market.

The main purpose of the variable portion is to reward the contributions of executives to the Group's results.

The amounts below include the variable portions paid in 2024 for 2023 and paid in 2023 for 2022.

The variable component paid in 2024 for 2023 was calculated based on economic criteria (net recurring income/(loss) Group share, EBIT, free cash flow, economic net debt) for 65% and on qualitative and non-financial criteria for 35%.

SUMMARY TABLE OF GROSS COMPENSATION, INCLUDING BENEFITS IN KIND, FOR EXECUTIVES WHO ARE NOT CORPORATE OFFICERS (EXECUTIVE COMMITTEE MEMBERS)(1)

In euros	2024	2023
Fixed	4,680,538	4,635,909
Variable	5,434,868	5,307,097
TOTAL	**10,115,406**	**9,943,006**
Total members	9	10

(1) Compensation includes: fixed + annual variable compensation for the year.

Pension provisions

Pursuant to the European Directive of April 16, 2014, Order No.2019-697 relating to supplementary occupational retirement plans, published on July 4, 2019, terminated the existing L.137-11 plans (referred to as "Article 39") and prohibited the acquisition of new rights and the entry of any new members as from that date.

Following the closure of the plan and the crystallization of random entitlements in 2019, in 2020 the Group converted the random entitlements of beneficiaries, including members of the Executive Committee, into a defined-contribution plan called "Article 82."

4.2.6 Award of Performance Shares[1]

The information presented in this Section constitutes the special report on free share allocations provided for in Article L.225-197-4 of the French Commercial Code

4.2.6.1 Information on the award of bonus shares or Performance Shares

4.2.6.1.1 Availability of Performance Shares

Articles L.225-197-1 and L.22-10-59 of the French Commercial Code place restrictions on the free availability of Performance Shares granted to executive corporate officers under share plans.

In accordance with these provisions, a system was established specifying the obligation to hold as registered shares a certain percentage (set by the Board of Directors) of vested Performance Shares. The objective is that after a certain point, the executive corporate officers and, more generally, Executive Committee members would hold a portfolio of ENGIE shares corresponding to a fraction of their compensation.

At its meeting of March 1, 2017, the Board of Directors decided, on the recommendation of the ACGC, to update the existing system as follows:

- fixed target: build a share portfolio equivalent to two years' fixed compensation for the Chief Executive Officer, and to one and a half years for other members of the Executive Committee. This objective is set in terms of the number of shares for each person concerned, and is calculated based on the fixed annual compensation prevailing at January 1 of the year in question and on the average share price over the previous year;
- until the target is met: continue to hold two-thirds of the vested Performance Shares.

4.2.6.1.2 Bonus share or Performance Share plans implemented for 2024

Authorization of the Shareholders' Meeting of April 30, 2024

The 28th resolution of the ENGIE Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024, authorized the Board of Directors to award bonus shares to employees and/or corporate officers of companies belonging to the Group (including the executive corporate officers of the Company) up to the limit of 0.75% of the share capital on the date of the decision to allocate shares, with an annual cap of 0.25% of said share capital and an annual cap of 0.025% of the Performance Shares awarded to executive corporate officers of the Company.

Performance Share Plan for 2024 (Board of Directors' Meeting of April 30, 2024)

Under the above authorization granted by the Shareholders' Meeting of April 30, 2024, the Board of Directors decided to implement a Performance Share plan.

The terms and conditions of this plan, applicable to the Chief Executive Officer and to certain senior executives, managers with strong potential and key contributors of the Group, are described in Section 4.2.3.2 "Compensation of the Chief Executive Officer for 2025."

4.2.6.2 Performance Shares granted to and available for sale by each corporate officer – Summary of current plans

ENGIE Performance Shares granted to each ENGIE corporate officer by ENGIE and by all other ENGIE Group companies in 2024

TABLE 6 – AMF POSITION-RECOMMENDATION – DOC-2021-02 (APPENDIX 2)

Performance Shares granted during the year to each executive corporate officer by the issuer and by any Group company

	No. and date of the plan	Number of shares granted during the year	Valuation of shares according to the method used for the consolidated financial statements *(in euros)*	Vesting date	Availability date	Performance conditions
Catherine MacGregor	04/30/2024	120,000	11.37	04/30/2027	04/30/2027	All these shares are subject to performance criteria (see Section 4.2.3.2)

ENGIE Performance Shares that became available for sale by each corporate officer of ENGIE in 2024

None.

(1) *Please note that there are no more ENGIE stock options as of November 9, 2017.*

Summary of current ENGIE Performance Share plans

	2019	2020		2021	
	2019 Plan	2020 Plan	2020 Traders' Plan	2021 Plan	2021 Traders' Plan
Date of authorization from the Shareholders' Meeting	05/18/2018	05/18/2018	05/18/2018	05/20/2021	05/20/2021
Date of decision from the Board of Directors	12/17/2019	12/17/2020	02/25/2021	12/16/2021	02/14/2022
Share price *(in euros)*[1]	11.59	9.93	10.9	9.28	12.13
Start of vesting period[2]	12/17/2019	12/17/2020	02/25/2021	12/16/2021	02/14/2022
End of vesting period	03/14/2023[3]	03/14/2024[7]	03/14/2023[11] 03/14/2024[11]	03/14/2025[13]	03/14/2024[11] 03/14/2025[11]
Start of holding period	none[4]	none[8]	none	none[14]	none
End of holding period	none[5]	none[9]	none	none[15]	none
Related conditions	[6]	[10]	[12]	[16]	[17]
Shares vested as at 12/31/2023	116,914	4,406,850	139,051	4,617,905	421,679
Shares vested from 01/01/2024 to 12/31/2024	116,914	4,062,660	136,406	1,450	203,795
Shares canceled from 01/01/2024 to 12/31/2024	0	199,190	2,645	244,420	14,149
Balance of shares as at 12/31/2024	116,914	145,000	0	4,372,035	203,735

(1) Weighted average price (according to the method used for the consolidated financial statements).
(2) Early vesting possible in the event of death or permanent disability. Condition of continuous service at the vesting date.
(3) 03/14/2024 for senior executives outside France and Belgium.
(4) 03/15/2023 for senior executives in France and Belgium.
(5) 03/15/2024 for senior executives in France and Belgium.
(6) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and similar, a triple condition applies for all beneficiaries: one-third based on net recurring income/(loss) Group share, for 2021 and 2022, one-third based on ROCE for 2021 and 2022, and one-third based on ENGIE's TSR (stock market performance, dividend reinvested) compared with the TSR of a panel composed of EDF, EDP, ENEL, E.ON, Uniper, Innogy, RWE, Naturgy (formerly Gas Natural), Iberdrola and SPIE, with each of the companies receiving an identical weighting, it being specified that E.ON, Uniper, RWE and Innogy are counted as 50% each for the purpose of weighting. These conditions apply to all shares awarded to the Group's executives and do not affect the first tranche of 150 shares awarded to the other beneficiaries.
(7) 03/15/2025 for senior executives outside France.
(8) 03/15/2024 for senior executives in France.
(9) 03/15/2025 for senior executives in France.
(10) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and similar, a triple condition applies for all beneficiaries: one-third based on net recurring income/(loss) Group share, for 2022 and 2023, one-third based on ROCE for 2022 and 2023, and one-third based on ENGIE's TSR (stock market performance, dividend reinvested) compared with the TSR of the panel composed of EDF, EDP, ENEL, E.ON, Uniper, RWE, Naturgy (ex-Gas Natural), Iberdrola and Spie and RWE, with each of the companies receiving an identical weighting. These conditions apply to all shares awarded to the Group's executives and do not affect the first tranche of 150 shares awarded to the other beneficiaries.
(11) For half of the shares.
(12) 50% based on 2022 ENGIE Global Markets profit before tax and 50% based on 2023 ENGIE Global Markets profit before tax.
(13) 03/15/2026 for senior executives outside France.
(14) 03/15/2025 for senior executives in France.
(15) 03/15/2026 for senior executives in France.
(16) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and similar, a quadruple condition applies for all beneficiaries: 30% 2024 ROCE compared with target ROCE, 25% performance of TSR compared with the panel (composed of EDP, ENEL, Iberdrola, Naturgy, Snam and RWE), 25% growth in ENGIE's net recurring income/(loss) Group share compared with the same panel, 20% non-financial conditions relating to CSR (reduction of GHG emissions from energy production (10%)), increase in renewable energy capacity (5%) and increase in the proportion of women in management (5%). These conditions apply to all shares awarded to the Group's executives and do not affect the first tranche of 150 shares awarded to the other beneficiaries.
(17) 50% based on 2023 ENGIE Global Markets profit before tax and 50% based on 2024 ENGIE Global Markets profit before tax.

	2022			2023	2024
	CEO 2022 Plan	2022 Plan	2022 Traders' Plan	CEO 2023 Plan	2024 Plan
Date of authorization from the Shareholders' Meeting	04/21/2022	04/21/2022	04/21/2022	04/21/2022	04/30/2024
Date of decision from the Board of Directors	04/21/2022	12/08/2022	02/20/2023	02/20/2023	04/30/2024
Share price *(in euros)*(1)	8.79	10.24	10.89	9.91	11.78
Start of vesting period(2)	04/21/2022	12/08/2022	02/20/2023	02/20/2023	04/30/2024
End of vesting period	03/14/2025	03/14/2026(4)	03/14/2025(8) 03/14/2026(8)	03/14/2026	04/30/2027
Start of holding period	03/15/2025	none(5)	none	03/14/2026	none
End of holding period	03/15/2026	none(6)	none	03/15/2027	none
Related conditions	(3)	(7)	(9)	(7)	(10)
Shares vested as at 12/31/2023	120,000	4,621,200	593,327	120,000	none
Shares vested from 01/01/2024 to 12/31/2024	0	500	0	0	
Shares canceled from 01/01/2024 to 12/31/2024	0	121,200	6,949	0	71,550
Balance of shares as at 12/31/2024	120,000	4,499,500	586,378	120,000	4,982,050

(1) Weighted average price (according to the method used for the consolidated financial statements).
(2) Early vesting possible in the event of death or permanent disability. Condition of continuous service at the vesting date.
(3) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and similar, a quadruple condition applies for all beneficiaries: 30% 2024 ROCE compared with target ROCE, 25% performance of TSR compared with the panel (composed of EDP, ENEL, Iberdrola, Naturgy, Snam and RWE), 25% growth in ENGIE's net recurring income/(loss) Group share compared with the same panel, 20% non-financial conditions relating to CSR (reduction of GHG emissions from energy production (10%)), increase in renewable energy capacity (5%) and increase in the proportion of women in management (5%). These conditions apply to all shares awarded to the Group's executives and do not affect the first tranche of 150 shares awarded to the other beneficiaries.
(4) 03/14/2027 for senior executives outside France.
(5) 03/15/2026 for senior executives in France.
(6) 03/15/2027 for senior executives in France.
(7) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and similar, a quadruple condition applies for all beneficiaries: 30% 2025 ROCE compared with target ROCE, 25% performance of TSR compared with the panel (composed of EDP, ENEL, Iberdrola, Naturgy, Snam and RWE), 25% growth in ENGIE's net recurring income/(loss) Group share compared with the same panel, 20% non-financial conditions relating to CSR (reduction of GHG emissions from energy production (10%)), increase in renewable energy capacity (5%) and increase in the proportion of women in management (5%). These conditions apply to all shares awarded to the Group's executives and do not affect the first tranche of 500 shares awarded to the other beneficiaries.
(8) For half of the shares.
(9) 50% based on 2024 ENGIE Global Markets profit before tax and 50% based on 2025 ENGIE Global Markets profit before tax.
(10) With the exception of beneficiaries awarded Performance Shares in the context of innovation programs and transformation projects: 35% average annual ROACE targets over three years, 35% of TSR compared with the EUROSTOXX Utilities index over three years, 30% non-financial conditions relating to CSR (reduction of GHG emissions related to energy production and the use of sold products (15%), renewables installed capacity (5%) and proportion of women in management (10%)

Summary of bonus and Performance Shares held by executive corporate officers at December 31, 2024

None.

4.2.6.3 Performance Shares granted during 2024 by ENGIE and by all companies included in the ENGIE Performance Share scope to the 10 non-corporate officer employees of the issuer and its companies who received the greatest number of Performance Shares

Total number of shares awarded	Share price[(1)] *(in euros)*	Issuer	Plan
545,000	11.78	ENGIE	04/30/2024

(1) Weighted average price (according to the method used for the consolidated financial statements).

4.2.6.4 Summary of transactions disclosed by executive management and corporate officers in 2024

	Date of transaction	Type of transaction	Financial instrument	Quantity	Unit price *(in euros)*	Transaction price *(in euros)*
Brégier Fabrice	02/23/2024	Vesting	Shares	2,000	14.8320	29,664
Sébastien Arbola	03/15/2024	Vesting of Performance Shares[(1)(2)(3)]	Shares	40,250	[(4)]	[(4)]
Paulo Almirante	03/15/2024	Vesting of Performance Shares[(2)]	Shares	60,000	[(4)]	[(4)]
Cécile Prévieu	03/15/2024	Vesting of Performance Shares[(2)(3)]	Shares	25,000	[(4)]	[(4)]
Claire Waysand	03/15/2024	Vesting of Performance Shares[(3)]	Shares	60,000	[(4)]	[(4)]
Giannuzzi Michel	06/07/2024	Vesting	Shares	2,500	14.9690	37,422.50
Catherine MacGregor	08/05/2024	Vesting	Shares	36,000	14.6770	528,372

(1) Vesting of Performance Shares allocated for 2019.
(2) Vesting of Performance Shares allocated for 2020.
(3) Vesting of Performance Shares allocated for 2021.
(4) As soon as the Performance Shares are vested, their gross value is correlated to the price of the ENGIE share. It should be noted that, as at March 19, 2024, the ENGIE share price was €15.2740.

4.3 ADDITIONAL INFORMATION CONCERNING CORPORATE GOVERNANCE

To prevent conflicts of interest within French public limited companies, the French Commercial Code provides for an authorization and control procedure for agreements between the Company and its corporate officers or its key shareholders

and for agreements entered into with other companies with which it has corporate officers in common.

This authorization and control procedure for related-party agreements is organized in five phases:

- information supplied to the Board of Directors;
- prior authorization of the signing, amendment, renewal or cancellation of a related-party agreement by the Board of Directors;
- information supplied to the Statutory Auditors on related-party agreements authorized over the year and on those that are already authorized and are ongoing;
- special report of the Statutory Auditors; and
- consultation of the Ordinary Shareholders' Meeting. After reviewing the Statutory Auditors' special report, the Shareholders' Meeting decides whether or not to approve the agreements.

Without officially being subject to this procedure, agreements that have already been authorized and which are ongoing are reviewed by the Board on an annual basis.

Their existence and consequences are noted in the report presented by the Statutory Auditors to the Shareholders' Meeting (Section 4.5).

4.3.1 Agreements relating to current operations and entered into under normal conditions

In accordance with the provisions of Article L.22-10-12 of the French Commercial Code and on the recommendation of the Audit Committee, the Board of Directors adopted a procedure on December 17, 2019, to assess whether the agreements relating to current operations, entered into under normal conditions by the company, actually fulfill these conditions (https://www.engie.com/en/by-laws-ENGIE).

A committee within ENGIE's Corporate Secretariat, informed about all draft agreements likely to be classified as a regulated or current agreement, is tasked with analyzing the characteristics of this agreement and both submitting it to the authorization and control procedure provided for in the related-party agreements, and classifying it as an agreement concerning current operations concluded under normal conditions.

This procedure also provides for follow-up in the form of an annual update on its implementation to the Audit Committee and the Board of Directors. In accordance with the regulations, it should also be noted that persons directly or indirectly involved in one of the above agreements do not take part either in discussions or in voting on its assessment and its adoption.

4.3.2 Related-party agreements and transactions

The special report of the Statutory Auditors on related-party agreements referred to in Article L.225-38 *et seq.* of the French Commercial Code for 2024 is provided in Section 4.5.

Details of transactions with related parties as specified by the regulations adopted under EC regulation 1606/2002, are provided in Note 20 to the Consolidated Financial Statements (Section 6.2.2).

4.3.3 Service contracts binding members of corporate governance bodies

To ENGIE's knowledge, there is no service contract binding members of the Company's corporate governance bodies or any of its subsidiaries that provides for benefits to be granted under such a contract.

4.3.4 Authorizations relating to the share capital and securities carrying rights to shares and their use

The Company's shareholders delegated the following powers and authorizations in relation to financial matters to the Board of Directors:

AUTHORIZATIONS GRANTED BY THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF APRIL 30, 2024

Resolution	Nature of authorization or delegation of authority	Validity and expiration	Maximum nominal amount per authorization	Amounts utilized	Remaining balance
5th	Authorization to trade in the Company's shares	**18 months until October 29, 2025** Terminates, for the portion not yet used, the delegation granted by the Shareholders' Meeting of April 26, 2023 (5th resolution)	Maximum purchase price: **€30** Maximum ownership: **10%** of the share capital Aggregate amount of purchases: €**7.3** billion ***May not be used during a public tender offer for the shares of the Company***	0.39% of share capital at 12/31/2024	Remaining 9.61% of share capital
17th	Issue of shares and/or marketable securities with PSR(1) *(to be used outside public tender offer periods only)*	**26 months until June 2, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (16th resolution)	€**225** million for shares(2)(3) and €**5** billion for marketable securities representing debt	None	Full amount of the authorization
18th	Issue of shares and/or marketable securities without PSR(1) *(to be used outside public tender offer periods only)*	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (17th resolution)	€**225** million for shares(2)(3) and €**5** billion for marketable securities representing debt	None	Full amount of the authorization
19th	Issue of shares and/or marketable securities without PSR(1) in the context of an offer governed by Article L.411-2-1 of the French Monetary and Financial Code *(to be used outside public tender offer periods only)*	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (18th resolution)	€**225** million for shares(2)(3) and €**5** billion for marketable securities representing debt	None	Full amount of the authorization
20th	Increase in the amount of capital increases (greenshoe option) carried out pursuant to the 17th, 18th and 19th resolutions *(to be used outside public tender offer periods only)*	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (19th resolution)	Up to **15%** of the initial issue(2)(3)	None	Full amount of the authorization

Resolution	Nature of authorization or delegation of authority	Validity and expiration	Maximum nominal amount per authorization	Amounts utilized	Remaining balance
21st	Issue of ordinary shares and/or various securities in consideration for contributions of securities made to the Company, up to a limit of 10% of the share capital *(to be used outside public tender offer periods only)*	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (20th resolution)	€**225** million for shares[(2)(3)] and €**5** billion for marketable securities representing debt	None	Full amount of the authorization
23rd	Issue of shares via the capitalization of additional paid-in capital, retained earnings, profit or any other amounts	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 21, 2022 (22nd resolution)	Total amount of the sums that may be incorporated (excluding ceiling)	None	Full amount of the authorization
24th	Authorization to reduce the share capital by canceling treasury shares	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 26, 2023 (16th resolution)	10% of the share capital per 24 month period	Reduction resulting from the cancellation of 2,259,865 treasury shares under the LINK 2024 plan of November 7, 2024 • i.e., *0.09% of the share capital*	9.91% of the share capital
25th	Capital increase reserved for employees who are members of ENGIE Group employee saving plans	**26 months until June 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 26, 2023 (14th resolution)	**2%** of the share capital as of the date of implementation of the delegation. **Amount common with the 26th resolution of the Shareholders' Meeting of April 30, 2024**[(3)]	Capital increase of 1,835,029 under the LINK 2024 plan of November 7, 2024 • i.e., *0.08% of share capital*	1.90% of share capital[(4)]
26th	Capital increase reserved for all entities formed as part of the implementation of the ENGIE Group's international employee share ownership plan	**18 months until October 29, 2026** Terminates the delegation granted by the Shareholders' Meeting of April 26, 2023 (15th resolution)	**0.5%** of the share capital as of the date of implementation of the delegation, **which will be counted against the 2% ceiling under the 25th resolution of the Shareholders' Meeting of April 30, 2024**[(3)]	Capital increase of 424,836 under the LINK 2024 plan of November 7, 2024 • i.e., *0.02% of capital used*	1.90% of share capital[(4)]

Resolution	Nature of authorization or delegation of authority	Validity and expiration	Maximum nominal amount per authorization	Amounts utilized	Remaining balance
27th	Authorization to be given to the Board of Directors for the purpose of awarding bonus shares (i) to employees and/or corporate officers of ENGIE Group companies (with the exception of corporate officers of ENGIE SA) and (ii) to employees participating in an ENGIE Group international employee share ownership plan *(World Plans)*	**38 months until June 29, 2027** Terminates, for the portion not yet used, the delegation granted by the Shareholders' Meeting of April 21, 2022 (26th resolution)	**0.75%** of the share capital, (with an annual cap of 0.25% of the share capital), ceiling **common to the 27th and 28th resolutions of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024**(5)	None	Full amount of the authorization
28th	Authorization for the purpose of awarding bonus shares to certain employees and corporate officers of ENGIE Group companies, (including executive corporate officers of ENGIE) *(Discretionary plans)*	**38 months until June 29, 2027** Terminates, for the portion not yet used, the delegation granted by the Shareholders' Meeting of April 21, 2022 (27th resolution)	**0.75%** of share capital, (with an annual cap of 0.25% of share capital and a cap of 0.025% of share capital for the allocation of Performance Shares to ECOs(7) over the entire authorization period of 38 months), **a ceiling common to the 27th and 28th resolutions of the Shareholders' Meeting of April 30, 2024**(5)	For 2024 *Dated April 30, 2024* Award of 5,742,100 Performance Shares, including 144,000 Performance Shares to the Chief Executive Officer. • i.e., *0.24% of share capital at December 31, 2024.*	0.51% of share capital(6)

(1) PSR: preferential subscription right.

(2) Amounts common to issues of marketable securities decided under the 17th, 18th, 19th, 20th and 21st resolutions of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024.

(3) Common ceiling set by the 22nd resolution of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024, under the 17th, 18th, 19th, 20th, 21st, 25th and 26th resolutions of the same Meeting: €265 million.

(4) Unused common amounts for authorizations decided under the 25th and 26th resolutions of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024.

(5) This is a common ceiling set by the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024, for allocations decided under the 27th and 28th resolutions.

(6) Unused common amounts for authorizations decided under the 27th and 28th resolutions of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024.

(7) ECOs: Executive Corporate Officers.

4.3.5 Provisions in the bylaws on the participation of shareholders at Shareholders' Meetings

Notice to attend meetings (Articles 20, 21 and 22 of the bylaws)

Ordinary and Extraordinary Shareholders' Meetings and, where applicable, Special Shareholders' Meetings, are called, meet and deliberate in accordance with the conditions provided for by law. The party issuing the notice convening the meeting also draws up the meeting agenda. However, one or more shareholders may, in accordance with the conditions provided for by law, request that draft resolutions be entered on the agenda.

The meeting may take place at the Company's head office or at any other location stated in the notice.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors, a Deputy Chief Executive Officer if he or she is also Director, or, in the absence of a Deputy Chief Executive Officer, by a Director specially authorized by the Board for this purpose. Otherwise, the Meeting elects its own Chairman.

The two members of the Shareholders' Meeting present who accept the duties thereof and who hold the greatest number of votes act as vote tellers. The officers of the meeting appoint the secretary, who may be chosen from outside the shareholders.

An attendance sheet is kept in accordance with the conditions provided for by law. Minutes of meetings are drawn up and copies are issued and certified in accordance with the conditions provided for by law.

Attendance at meetings (Article 20 of the bylaws)

All shareholders have the right to attend the meetings provided their shares are paid in full.

The right to attend meetings or to be represented therein is subject to the registration of the securities in the shareholder's name by midnight (CET) of the second business day prior to the meeting, either in the registered securities accounts held by the Company or in bearer securities accounts held by the authorized intermediary.

The Board of Directors may, if it deems necessary, send individualized admission cards to the shareholders in each shareholder's name and require them to be presented in order to gain access to the Shareholders' Meeting.

If the Board of Directors so decides at the time the Meeting is called, shareholders may participate in the meeting by videoconference or by any means of telecommunication or remote transmission, including via the Internet, that permits their identification in accordance with the terms and conditions set under current regulations. Where applicable, this decision shall be announced in the notice convening the meeting published in the *Bulletin des Annonces Légales Obligatoires* (Bulletin of Mandatory Legal Announcements or BALO).

Voting rights (Articles 10, 11, 12 and 20 of the bylaws)

Unless otherwise provided for by law, each shareholder has as many voting rights and may cast as many votes at meetings as he or she holds fully paid-up shares. Effective April 2, 2016, in accordance with Article L.22-10-46 of the French Commercial Code, all registered and fully paid-up shares registered in the name of the same beneficiary for at least two years are automatically entitled to a double voting right (see Section 5.1.1.3 "Voting rights").

The shares are indivisible with regard to the Company. Where the shares are subject to usufruct, voting rights attached to shares belong to the beneficial owner of the shares in the case of Ordinary Shareholders' Meetings, and to the bare owner in the case of Extraordinary Shareholders' Meetings.

Any time it is necessary to own several shares in order to exercise any right whatsoever, the owners of isolated shares or an insufficient number of shares may exercise such a right provided that they combine or, as the case may be, buy or sell the necessary shares or rights.

Any shareholder may cast a vote by proxy in accordance with the terms and conditions provided for by the law and regulations in all meetings. The owners of securities mentioned in the seventh paragraph of Article L.228-1 of the French Commercial Code may be represented, in accordance with the conditions provided for by law, by a registered intermediary. Any shareholder may cast a vote by proxy in accordance with the terms and conditions provided for by the law and regulations. The shareholders may, in accordance with the terms and conditions provided for by the law and regulations, send their postal proxy form either as a printed form or, further to a decision of the Board of Directors published in the notice of meeting and the notice to attend the meeting, by electronic transmission.

Dividends (Article 26.2 of the bylaws)

Any shareholder who can, at the end of a fiscal year, provide proof of registration for at least two years and continuation thereof on the dividend payment date for the fiscal year in question, shall receive a 10% increase in the dividend for the shares so registered, over the dividend paid on other shares. This increase will be capped at 0.5% of the share capital for a single shareholder.

Golden share (Article 6 of the bylaws)

In accordance with the French Energy Code and Decree No. 2007-1790 of December 20, 2007, the share capital includes a golden share resulting from the conversion of one ordinary share, which is held by the French State and is aimed at protecting France's critical interests in the energy sector and ensuring the continuity and safeguarding of energy supplies (see Section 5.4.4 "Golden share").

4.3.6 Information on elements that could have an impact on takeover bids or public exchange offers

Pursuant to Article L.22-10-11 of the French Commercial Code, the elements that could have an impact in the event of a takeover bid or public exchange offer are specified in Sections 3.1.3.2.3 "Working conditions and social dialogue," 4.1 "Governance organization and operations," 4.1.2 "Activities and operations of the Board of Directors," 4.2 "Compensation paid to corporate officers and members of the Executive Committee," 4.3.4 "Authorizations relating to share capital and share equivalents and their utilization," 4.3.5 "Provisions in the bylaws on the participation of shareholders at Shareholders' Meetings," 5.4.2 "Breakdown of share capital," 5.4.3 "Disclosure thresholds," 5.4.4 "Golden share" and 7.1 "General information on ENGIE and its bylaws."

4.3.7 Statutory Auditors

Deloitte & Associés

Company represented by Laurence Dubois and Nadia Laadouli.

6, place de la Pyramide, 92908 Paris-La Défense Cedex, France

Deloitte & Associés has been a Statutory Auditor for the Company since July 16, 2008. Its term of office was renewed at the Ordinary and Extraordinary Shareholders' Meeting of May 14, 2020, for a period of six years and will expire at the close of the 2026 Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2025.

Ernst & Young et Autres

Company represented by Sarah Kokot and Guillaume Rouger.

1/2, place des Saisons, 92400 Courbevoie – Paris-La Défense 1, France

Ernst & Young et Autres has been a Statutory Auditor for the Company since May 19, 2008. Its term of office was renewed at the Ordinary and Extraordinary Shareholders' Meeting of May 14, 2020, for a period of six years and will expire at the close of the 2026 Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2025.

Previously, Ernst & Young Audit was Statutory Auditor between 1995 and 2007.

4.4 CORPORATE GOVERNANCE CODE

ENGIE maintains its commitment to implementing corporate governance guidelines and for this purpose refers to the Afep-Medef Corporate Governance Code for listed companies (amended in December 2022), with the exception of the following:

Afep-Medef Code recommendations	Explanation
18.1 Membership With regard to the Appointments Committee, the committee must not include any executive corporate officers and must be composed of a majority of Independent Directors. It is recommended that the Chairman of the committee be independent and that an employee Director be a member.	Each Board committee includes either a Director representing employees or a Director representing employee shareholders. In line with the appointment of two Directors representing employees in 2022, and the suitability of the profiles with Committee membership, ENGIE has decided to appoint a director representing employee shareholders as a member of the ACGC. A possible adjustment will be considered at the end of the term of office of the Director representing employee shareholders in April 2025, as well as the profiles of the available Directors representing employees.

4.5 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2024

To the Engie Shareholders' Meeting,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*code de commerce*) of the continued implementation, during the year ended December 31, 2024, of the agreements previously approved by Shareholders' Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Shareholders' Meeting

Agreements authorized and entered into during the year

We hereby inform you that we have not been notified of any agreements authorized and entered into during the year ended December 31, 2024 to be submitted to the Shareholders' Meeting for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements previously approved by the Shareholders' Meeting

Agreements previously approved that remained in force during the year

In accordance with Article R. 225-30 of the French Commercial Code (*code de commerce*), we have been notified that the implementation of the following agreements, which were approved by Shareholders' Meeting in prior years, continued during the year ended December 31, 2024.

With Mr. Clamadieu, Chairman of the Board of Directors of your Company

a) Benefit plan

Nature, purpose and terms

Your Board of Directors, at its meeting of June 19, 2018, resolved to grant the Chairman of the Board of Directors a benefit plan equivalent to the policy for all your Company's executives in France, through a group insurance policy taken out by your Company. This policy provides life insurance and sick leave benefits.

b) Healthcare plan

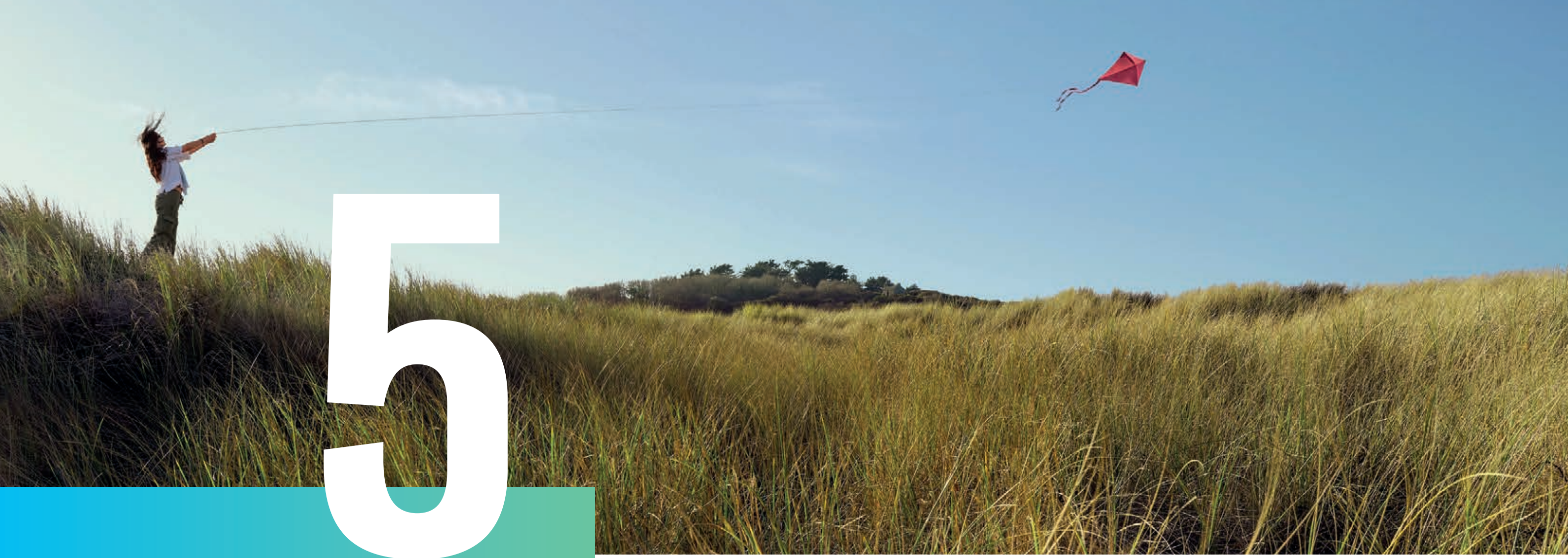
Nature, purpose and terms

Your Board of Directors, at its meeting of December 11, 2018, resolved to grant the Chairman of the Board of Directors a health insurance policy equivalent to the policy for all your Company's executives in France, through a group insurance policy taken out by your Company. This policy covers the standard coverage items for reimbursement of medical costs for the insured and his beneficiaries.

Paris-La Défense, March 7, 2025

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES		ERNST & YOUNG et Autres	
Laurence Dubois	Nadia Laadouli	Sarah Kokot	Guillaume Rouger



5

INFORMATION ON THE SHARE CAPITAL AND SHARE OWNERSHIP

5.1 INFORMATION ON THE SHARE CAPITAL

5.1.1 Share capital and voting rights

5.1.1.1 Share capital

ENGIE shares are listed on Compartment A of Euronext Paris and Euronext Brussels under ISIN Code FR0010208488 and ticker symbol ENGI. ENGIE shares are included in the CAC 40 index, the main index published by Euronext Paris, and are eligible for the Deferred Settlement Service (*Service du Règlement Différé* – SRD). ENGIE is also listed on the following main indexes: SBF 120, STOXX Europe 600, STOXX Europe 600 Utilities, Euro STOXX Utilities, MSCI Europe, MSCI Europe Utilities.

As of December 31, 2024, ENGIE's share capital stood at €2,435,285,011, divided into 2,435,285,011 fully paid-up shares with a par value of €1 each.

5.1.1.2 Pledges, guarantees and collateral

Pledges of assets

The percentage of shares pledged is not significant.

Other pledges

In millions of euros	Total Value	2025	2026	2027	2028	2029	2030 to 2034	Beyond 2034	Account total	Corresponding %
Intangible assets	73	-	-	-	-	-	69	4	7,964	0.9%
Property, plant and equipment	1,490	36	7	2	2	5	14	1,424	64,388	2.3%
Equity investments	2,927	553	57	459	-	-	789	1,069	9,502	30.8%
Bank accounts	406	115	120	62	10	15	68	15	16,928	2.4%
Other assets	921	528	70	38	14	6	7	258	43,708	2.1%
TOTAL	**5,817**	**1,232**	**255**	**561**	**25**	**26**	**947**	**2,770**	**142,490**	**4.1%**

Note: the total amount of the pledge relating to equity instruments may relate to consolidated equity instruments with zero value in the consolidated balance sheet (elimination of these equity instruments upon consolidation).

5.1.1.3 Voting rights

Each shareholder has as many voting rights and may cast as many votes at meetings as he or she holds shares which are fully paid up.

However, in accordance with Articles L.22-10-46 and L.225-123 of the French Commercial Code, all registered and fully paid-up shares registered in the name of the same beneficiary for at least two years are automatically entitled to double voting rights.

On December 31, 2024, the Company had 2,435,285,011 shares corresponding to 3,227,473,913 theoretical voting rights.

Pursuant to Article L.111-68 of the French Energy Code (*Code de l'énergie*) as modified by law no. 2019-486 of May 22, 2019, the French government is required to hold at least one share in the Company.

In addition, pursuant to the French Energy Code and Decree 2007-1790 of December 20, 2007, ENGIE's share capital includes a golden share (for details, see Section 5.4.4 "Golden share").

5.1.2 Potential capital and share equivalents

As of December 31, 2024, there were no share equivalents conferring direct or indirect access to ENGIE's share capital.

5.1.3 Five-year summary of changes in the share capital

Date	Event	Nominal *(in euros)*	Premium *(in euros)*	Share capital *(in euros)*	Number of shares	Par value per share *(in euros)*
12/22/2022	Share capital increase resulting from the subscription of 2,310,951 shares under the capital increase reserved for participants in an employee savings plan offered by the Group (Link 2022)	2,310,951	22,000,254	2,437,595,962	2,437,595,962	1.00
12/22/2022	Share capital increase resulting from the subscription of 770,823 shares under the capital increase reserved for Link International Employees (Link 2022)	770,823	7,338,235	2,438,366,785	2,438,366,785	1.00
12/22/2022	Share capital reduction resulting from the cancellation of 3,081,774 treasury shares	-3,081,774	-	2,435,285,011	2,435,285,011	1.00
11/07/2024	Increase in share capital resulting from the subscription of 1,717,174 shares by the Link Classic 2024 and Link Multiple INT 2024 sub-funds of the Link International employee investment fund	1,717,174	20,073,764	2,437,002,185	2,437,002,185	1.00
11/07/2024	Increase in share capital resulting from the free allocation of newly issued shares in connection with subscriptions through the LINK Classic 2024 sub-fund	117,855	-	2,437,120,040	2,437,120,040	1.00
11/07/2024	Increase in share capital resulting from ECRINVEST's subscription to new ENGIE shares	424,836	4,966,333	2,437,544,876	2,437,544,876	1.00
11/07/2024	Share capital reduction resulting from the cancellation of 2,259,865 treasury shares	-2,259,865	-	2,435,285,011	2,435,285,011	1.00

5.1.4 Stock repurchase

5.1.4.1 Treasury stock

The 5th resolution of the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024, authorized the Company to trade in its own shares in order to manage its shareholders' equity according to the applicable laws and regulations.

Terms of purchase:

- maximum unit purchase price: €30 (excluding transaction costs);
- maximum number of shares that may be purchased for the duration of the program: 10% of the share capital;
- maximum total amount of acquisitions, net of fees: €7.3 billion.

A one-year liquidity agreement, renewable by tacit agreement, of an initial value of €55 million was signed on May 2, 2006, on the Euronext Paris market with Rothschild & Cie Banque. This agreement was amended on several occasions, with the latest major amendment signed on January 24, 2019, in order to comply with the decision of July 2, 2018 by the French Financial Markets Authority (*Autorité des marchés financiers* – AMF), setting the maximum amount of the contract at €50 million as of January 1, 2019.

The main purpose of this agreement is to reduce the volatility of the ENGIE share and therefore the risk perceived by investors. This agreement complies with the Code of Conduct drawn up by the French Association of Investment Companies (*Association Française des Entreprises d'Investissement*). This agreement continued to apply in 2024.

Between January 1 and December 31, 2024, the Company purchased 39,550,834 shares, for a total value of €599.9 million (or €15.17 per share) under the liquidity agreement. Over the same period, and also under this liquidity agreement, ENGIE disposed of 39,550,834 shares for a total price of €600.1 million (or €15.17 per share).

Moreover, between January 1 and December 31, 2024, ENGIE purchased 13,410,300 shares for a total value of €213.3 million (or €15.90 per share) to hedge the employee share ownership plan.

Between January 1 and February 25, 2025, ENGIE purchased 5,395,678 shares for a total value of €85,082,524 million (or €15.769 per share) under the liquidity agreement. Over the same period, and also under this liquidity agreement, ENGIE disposed of 5,370,678 shares for a total price of €84,669,824 million (or €15.765 per share).

Furthermore, between January 1 and February 25, 2025, ENGIE did not purchase any shares to cover its commitments to the beneficiaries of stock options, bonus shares, and company savings plans.

On February 25, 2025, the Company held 0.389% of its share capital, or 9,468,689 shares to cover its commitments to the beneficiaries of stock options, bonus shares, and company savings plans.

5.1.4.2 Description of the treasury stock repurchase program to be submitted to the Shareholders' Meeting of April 24, 2025

Pursuant to Articles 241-1 to 241-5 of the AMF's General Regulations, the purpose of the following program description is to set out the objectives, terms and conditions of ENGIE's stock repurchase program, as it will be submitted to the Shareholders' Meeting to be held on April 24, 2025.

A. Main features of the program

The main features and goals of the program are summarized below:

- relevant securities: shares listed on Eurolist – SRD at the Paris Stock Exchange or on Eurolist at the Brussels Stock Exchange;
- maximum repurchase percentage authorized by the Shareholders' Meeting: 10% of the share capital;
- maximum unit purchase price: €30 (excluding transaction costs).

B. Objectives of the stock repurchase program

The objectives of the ENGIE stock repurchase program are summarized below:

- to ensure liquidity in the Company's shares by an investment service provider under liquidity agreements;
- to provide for the subsequent cancellation of the repurchased shares under a decision or authorization to reduce the share capital by the Extraordinary Shareholders' Meeting;
- to allocate or dispose of such shares to employees or former employees and corporate officers or former corporate officers of the Group;
- to set up stock option plans, bonus share plans on existing shares, or employee share ownership plans under company savings plans;
- to allocate or dispose of such shares to any entity as part of implementing an international employee share ownership plan;
- to provide for the holding and subsequent delivery of shares (as exchange, payment or otherwise) in the context of external growth transactions within the limit of 5% of the share capital;
- to provide for the hedging of securities conferring entitlement to Company share allocations, through issuance of shares, upon the exercise of the rights attached to securities conferring entitlement to Company shares by conversion, redemption, exchange, upon presentation of a warrant or other means of allocation;
- to implement any other market practices previously or subsequently authorized or to be authorized by market authorities.

C. Terms and conditions

Maximum percentage of share capital that may be repurchased and maximum amount payable by ENGIE

The maximum number of shares that may be purchased by ENGIE may not exceed 10% of the share capital of the Company on the date of the Shareholders' Meeting, i.e., 243.5 million shares, for a maximum theoretical amount of €7.3 billion. ENGIE reserves the right to hold the maximum amount authorized.

On December 31, 2024, ENGIE directly held 9,443,689 shares, i.e., 0.39% of the share capital.

Therefore, based on the estimated share capital on the date of the Shareholders' Meeting, the stock repurchase program could cover 234 million shares, representing 9.61% of the share capital, for a maximum amount of €7 billion.

Maximum term of the stock repurchase program

The stock repurchase program will be in effect for a period of 18 months beginning on April 24, 2025, date of this Shareholders' Meeting, i.e., until October 23, 2026.

5.1.4.3 Book value and nominal value

The book value and the nominal value of the shares held by ENGIE itself or in its name, or by its subsidiaries, are indicated respectively in Note 7 "Marketable securities" of Section 6.4.2 "Notes to the parent company financial statements," and in Section 5.1.3 "Five-year summary of changes in the share capital".

5.2 NON-EQUITY SECURITIES

5.2.1 Deeply subordinated perpetual notes

On June 2, 2024, ENGIE exercised the redemption option on the FR0011942283 bond, which had a balance of €337.8 million.

In addition, on June 14, 2024, ENGIE carried out two new debt issues for a total of €1,835 million in deeply subordinated perpetual notes (see also Section 5.3 "Green bonds").

At the same time, ENGIE launched an offer to buy back the deeply subordinated perpetual notes refinanced by the new issue for a nominal amount of €852.3 million (€545.5 million from bond FR0013398229, and €306.8 million from bond FR0013431244).

Following these transactions, the outstanding amount of deeply-subordinated perpetual notes was as follows at December 31, 2024:

Currency	Coupon rate	Issue date	Maturity	First Call Date(1)	Outstanding amount *(in millions of euros)*	Exchange	ISIN Code
EUR	3.250%	01/28/2019	Perpetual	11/28/2024	454.5	Paris	FR0013398229
EUR	1.625%	07/08/2019	Perpetual	04/08/2025	193.2	Dublin	FR0013431244
EUR	1.500%	11/30/2020	Perpetual	05/30/2028	850.0	Paris	FR0014000RR2
EUR	1.875%	07/02/2021	Perpetual	01/02/2031	705.1	Paris	FR00140046Y4
EUR	4.750%	06/14/2024	Perpetual	06/14/2030	800.0	Paris	FR001400QOK5
EUR	5.125%	06/14/2024	Perpetual	06/14/2033	1,035.0	Paris	FR001400QOL3

(1) Nearest date for early redemption in accordance with applicable conditions.

All of the above securities are rated Baa3 by Moody's, BBB- by Standard and Poor's, and BBB by Fitch.

In accordance with the provisions of IAS 32, and given their characteristics, these instruments are recognized in equity in the Group's consolidated financial statements (see Note 16.2.1 of Section 6.2.2 "Notes to the consolidated financial statements").

In January 2025, in accordance with the option available to it, ENGIE notified the holders of the FR0013398229 bond of its decision to exercise its option to redeem the remaining balance of €454.5 million on February 28, 2025.

5.2.2 Euro Medium Term Note (EMTN) Program

ENGIE has a €40 billion Euro Medium Term Note (EMTN) program. This program, valid for 12 months, is renewed every year. The latest version of the program's base prospectus is available on ENGIE's website (www.engie.com/en/finance/fixed-incomes/debt-programmes-mtn-cp).

5.2.3 Bond issues

The main features of the bonds issued by the Company and outstanding as of December 31, 2024 are described in Note 11 "Borrowings and debt" of Section 6.4.2 "Notes to the parent company financial statements."

5.3 GREEN BONDS

5.3.1 Description of the bond

To support the Group's development plan in line with its purpose (raison d'être), particularly in renewable energy and energy efficiency, ENGIE SA issued five new green bonds in 2024, of which three senior bonds and two hybrid bonds, respectively totaling €3,235 million and GBP 500 million.

The outstanding amount of €480 million of a green bond issued in 2017 (ISIN FR0013245859) was also repaid at its contractual maturity in March 2024.

In addition, a buyback operation was launched on the green hybrid bonds issued in 2019 (ISIN FR0013398229) in conjunction with the issue of new green hybrid bonds in June 2024. Following this transaction, the outstanding amount of the instrument was reduced to €454.5 million.

Further to these transactions, the outstanding amount of green bonds issued by ENGIE SA was as follows at December 31, 2024:

Type	Currency	Coupon rate	Issue date	Maturity	Outstanding amount *(in currency millions)*	Exchange	ISIN Code	Details on allocations
Senior	EUR	2.375%	05/19/2014	05/19/2026	1,246.3	Paris	FR0011911247	2014, 2015 and 2016 Registration Documents
Senior	EUR	1.500%	03/27/2017	03/27/2028	800	Paris	FR0013245867	2017 Registration Document
Senior	EUR	1.375%	09/28/2017	02/28/2029	750	Paris	FR0013284254	2018 Registration Document
Hybrid	EUR	3.250%	01/28/2019	Perpetual (11/28/2024[1])	454.5	Paris	FR0013398229	2019 Universal Registration Document
Senior	EUR	0.375%	06/21/2019	06/21/2027	750	Paris	FR0013428489	2020 Universal Registration Document
	EUR	1.375%	06/21/2019	06/21/2039	750	Paris	FR0013428513	
Senior	EUR	0.500%	10/24/2019	10/24/2030	900	Paris	FR0013455813	
Senior	EUR	1.750%	03/27/2020	03/27/2028	750	Paris	FR0013504677	2020 and 2021 Universal Registration Documents
	EUR	2.125%	03/27/2020	03/30/2032	750	Paris	FR0013504693	
Hybrid	EUR	1.500%	11/30/2020	Perpetual (05/30/2028[1])	850	Paris	FR0014000RR2	
Hybrid	EUR	1.875%	07/02/2021	Perpetual (01/02/2031[1])	705.1	Paris	FR00140046Y4	2021 Universal Registration Document
Senior	EUR	0.375%	10/26/2021	10/26/2029	750	Paris	FR0014005ZP8	2021 and 2022 Universal Registration Documents
	EUR	1.000%	10/26/2021	10/26/2036	750	Paris	FR0014005ZQ6	
Senior	EUR	3.500%	09/27/2022	09/27/2029	650	Paris	FR001400A1H6	2022 Universal Registration Document
Senior	EUR	3.625%	01/11/2023	01/11/2030	1,100[2]	Paris	FR001400F1G3	2023 Universal Registration Document
	EUR	4.000%	01/11/2023	01/11/2035	1,175[2]	Paris	FR001400F1I9	
	EUR	4.250%	01/11/2023	01/11/2043	750	Paris	FR001400F1M1	
Senior	GBP	5.625%	04/03/2023	04/03/2053	650	Paris	FR001400H1V0	
Senior	CHF	2.340%	07/04/2023	01/04/2027	190	SIX	CH1277582008	
	CHF	2.490%	07/04/2023	07/04/2031	225	SIX	CH1277582016	
Senior	EUR	4.500%	09/06/2023	09/06/2042	900	Paris	FR001400KHI6	2023 and 2024 Universal Registration Documents
Senior	EUR	3.875%	12/06/2023	12/06/2033	900	Paris	FR001400MF86	2024 Universal Registration Document
Senior	EUR	3.875%	03/06/2024	03/06/2036	800	Paris	FR001400OJC7	
	EUR	4.250%	03/06/2024	03/06/2044	600	Paris	FR001400OJE3	
Hybrid	EUR	4.750%	06/14/2024	Perpetual (03/14/2030[1])	800	Paris	FR001400QOK5	
	EUR	5.125%	06/14/2024	Perpetual (03/14/2033[1])	1.035	Paris	FR001400QOL3	
Senior	GBP	5.750%	10/28/2024	10/28/2050	500	Paris	FR001400TMR8	-

(1) *Nearest date for early redemption in accordance with applicable conditions.*
(2) *Including increase through tap issue.*

The total amount of green bonds issued by ENGIE SA reached €24.73 billion at the end of 2024, of which €20.68 billion is still outstanding[(1)].

The green bonds meet the terms of a reference framework (the "Green Bond Framework", updated and renamed "Green Financing Framework" in March 2020 and updated again in June 2023) that ENGIE has defined for its green bond issues. The Green Bond Framework and Green Financing Framework are available on ENGIE's website at the following address: https://www.engie.com/en/finance/credit/green-finance.

The principles of the Green Financing Framework of June 2023 are described below:

- the funds raised are allocated to projects supporting the transition to a low-carbon economy in direct connection to ENGIE's strategy ("Eligible Green Projects"). The Eligible Green Projects must fall within a pre-defined category of projects and meet certain technical criteria. The eligibility criteria were determined by ENGIE and validated by Moody's Investor Service. The second-party opinion provided by Moody's is available on ENGIE's website at the following address: https://www.engie.com/sites/default/files/assets/documents/2023-06/MIS%20SPO_Engie_Final_20230613.pdf;
- until the funds raised are entirely allocated to Eligible Green Projects (or after, in the event of a substantial change in allocations), ENGIE is committed to providing information in its Universal Registration Document on the fund allocations made during the period concerned;
- the funds may be allocated to Eligible Green Projects carried out after the issue of the green financing instrument, or used to refinance CAPEX or OPEX for Eligible Green Projects having taken place in the 24 months prior to the issue of the green financing instrument. The amounts allocated are calculated after deduction of any external funding already dedicated to these projects;
- the funds raised can be allocated for refinancing other green financing instruments previously issued by ENGIE. For each issue, ENGIE undertakes to allocate at least 50% of the funds raised to new spending (on Eligible Green Projects) to which funds were not previously allocated;
- as of December 31 of each year, the Group must hold cash (and cash equivalents) of an amount at least equal to the funds raised by the green bond(s), less amounts allocated to fund Eligible Green Projects at that date.

ENGIE aims to have fully allocated each green bond within two years of the date of issue (three years if the bond has a maturity of 10 years or more). If, for a given fiscal year, several green bonds must be allocated, the allocation in that year will be based, as far as possible, on the following principles:

- first by issuance date order, i.e., priority will be given to bonds issued first; and
- then in order of duration, with a shorter tranche having priority over a longer one.

In the specific case of refinancing Eligible Green Projects, these projects will be allocated to all the green bonds in proportion to the amounts remaining to be allocated to them.

In line with its commitments, ENGIE requested one of its Statutory Auditors (Deloitte & Associés), to provide a statement certifying compliance of the selected projects with the eligibility criteria and the amounts allocated to those projects (see Section 5.3.4).

ENGIE follows the four principles established by the International Capital Market Association (Green Bond Principles), which are:

- the use of the proceeds;
- existing processes to evaluate and select Eligible Green Projects;
- the management of the proceeds; and
- reporting.

5.3.2 Projects and eligibility criteria

The categories of projects covered by the Green Financing Framework of 2023 are described below:

- renewable energy production (hydropower, geothermal energy, wind, solar, bioenergy, low-carbon hydrogen, marine energy);
- energy storage (use of pumped storage and battery storage to store electricity);
- transmission/transport and distribution networks (electricity, renewable and low carbon gases);
- energy efficiency (including district heating and cooling network);
- clean transportation (including electric vehicle charging stations).

The technical eligibility criteria for the different categories of the Green Financing Framework are available on ENGIE's website at the following address: https://www.engie.com/sites/default/files/assets/documents/2023-06/20230613_Engie_Green_Framework%20%28VDEF%29.pdf.

A Green Bond/Financing Committee was established in 2017. This Committee meets regularly to review market developments and Eligible Green Projects and to approve the allocation of the green bonds. It is jointly led by the Environmental, Social and Governance (ESG) Department and the Finance Department and brings together the Procurement Department, the Global Care Department and the main GBU concerned.

(1) *This amount does not include the green bonds issued in 2024 by the subsidiary ENGIE Energia Chile, which are the subject of a separate allocation report*

5.3.3 Eligible Green Projects

During 2024, ENGIE allocated €3.5 billion in Eligible Green Projects, as broken down below:

In millions of euros *ENGIE SA* Green Bonds *allocated*	Nominal amount	Amount allocated in 2023	Amount allocated in 2024		Balance to be allocated
			Reallocations after repurchase/ redemption	New allocations	
19-year senior September 2023 (ISIN FR001400KHI6)	900	766.1	14.0	119.9	-
10-year senior December 2023 (ISIN FR001400MF86)	900	-	94.3	805.7	-
12-year senior March 2024 (ISIN FR001400OJC7)	800	-	83.8	716.2	-
20-year senior March 2024 (ISIN FR001400OJE3)	600	-	62.9	537.1	-
PNC6 Hybrid June 2024 (ISIN FR001400QOK5)	800	-	83.8	716.2	-
PNC9 Hybrid June 2024 (ISIN FR001400QOL3)	1,035	-	28.3	241.7	765.0
Senior GBP 26 years October 2024 (ISIN FR001400TMR8)	600(1)	-	-	-	600.0
TOTAL	**5,635**	**766.1**	**367.1**	**3,136.8**	**1,365.0**

(1) Nominal amount of the issue in foreign currency converted into euros at the currency hedge rate/historical rate.

As a result of these allocations, all the funds raised by the four senior green bonds issued between September 2023 and March 2024, as well as the PNC6 hybrid green bond, have been fully allocated. The PNC9 hybrid green bond was only partially allocated. In accordance with the principle of allocation by seniority, none of the funds raised by the green bond issued in October 2024 were allocated in 2024.

5.3.3.1 Reallocations after repurchase/redemption

Following the above-mentioned redemption and partial repurchase, the Eligible Green Projects previously allocated to the redeemed and repurchased bonds were partially reallocated to the green bonds issued between September 2023 and June 2024.

The reallocations to different tranches were made proportionately to the respective fund balances to be allocated to these tranches.

The total amount reallocated is €367.1 million, established based on the initial amount allocated to the various Eligible Green Projects meeting the criteria of the 2023 Green Financing Frameworks.

It breaks down as follows:

- €123.1 million initially allocated to the senior bond with ISIN code FR0013245859;
- €244.0 million initially allocated to the hybrid bond with ISIN code FR0013398229.

The main category of reallocated Eligible Green Projects relates to renewable wind energy production (€258.0 million), followed by solar (€63.9 million), bioenergy (€22.6 million) and renewable and low-carbon gas transmission and distribution networks (€17.6 million).

The reallocated amounts relate to Eligible Green Projects located in the following geographic areas: Europe 50%, North America 33%, South America 13% and Asia/Oceania 4%.

5.3.3.2 New allocations

The main Eligible Green Projects financed by the proceeds from the green bond issues carried out between September 2023 and June 2024 that meet the conditions of the above-mentioned Green Financing Framework are listed in the following table:

			September 2023	December 2023	March 2024		June 2024	
			FR001400 KHI6	FR001400 MF86	FR0014000 JC7	FR0014000 JE3	FR001400Q OK5	FR001400Q OL3
In millions of euros	**Projects**	**Country**	**Senior €900m 19 years**	**Senior €900m 10 years**	**Senior €800m 12 years**	**Senior €60m 20 years**	**Hybrid €800m PNC6**	**Hybrid €1,035m PNC9**
RENEWABLE ENERGY PRODUCTION								
Solar power			**32.3**	**216.9**	**192.8**	**144.6**	**192.8**	**66.5**
North America	Chillingham, Ray Ranch, Twin Lakes, Sypert Branch, decentralized solar projects, Bernard Creek, Five Wells, Emerald Green, Hopkins, River Ferry	United States						
Europe	Various ENGIE Green projects, CN'AIR	France						
	Various PV projects	Romania, Italy, Germany						
Asia and Oceania	GUVNL 400MW, Goorambat, miscellaneous	India, Australia, Singapore						
Wind power			**27.7**	**186.5**	**165.8**	**124.3**	**165.8**	**57.2**
Europe	ENGIE Green, CN'AIR, Ostwind (M&A)	France						
	OW, Cerro Cabello	Spain						
	Chironegi (M&A)	Romania						
	Karstädt Klockow, repowering projects	Germany						
	Miscellaneous	Belgium						
	Porto Torres, Ramingallo,	Italy						
North America	Big Sampson, Century Oak, North Bend	United States						
Bioenergy			**7.5**	**50.2**	**44.6**	**33.4**	**44.6**	**15.4**
Europe	ENGIE BiOZ (biomethane), biomass plant for DHC	France						
	Irati (M&A)	Spain						
	Rainbarrow (M&A)	United Kingdom						
	Limbré (M&A)	Belgium						
	Alkmaar, Hardenberg (M&A)	Netherlands						
	Miscellaneous	Poland, Portugal						
Hydropower			**6.7**	**45.3**	**40.3**	**30.2**	**40.3**	**13.9**
Europe	CNR, SHEM, CN'AIR	France						
	Various small hydropower plants	Germany, Spain						
Geothermal			**0.7**	**4.9**	**4.4**	**3.3**	**4.4**	**1.5**
Europe	Géomy3, Plaine de Garonne Energie, Meudon	France						
Low carbon H_2			**0.3**	**1.8**	**1.6**	**1.2**	**1.6**	**0.5**
Asia and Oceania	Yuri	Australia						
R&D			**0.6**	**4.0**	**3.6**	**2.7**	**3.6**	**1.2**

In millions of euros	Projects	Country	September 2023 FR001400KHI6 Senior €900m 19 years	December 2023 FR001400MF86 Senior €900m 10 years	March 2024 FR0014000JC7 Senior €800m 12 years	March 2024 FR0014000JE3 Senior €60m 20 years	June 2024 FR001400QOK5 Hybrid €800m PNC6	June 2024 FR001400QOL3 Hybrid €1,035m PNC9
ENERGY STORAGE								
Electricity storage			**29.0**	**195.2**	**173.6**	**130.2**	**173.6**	**59.9**
North America	Battery energy storage systems (BESS) linked to renewable assets (including Chillingham, Five Wells) or independent (BRP, Platinium and Tanzanite projects) assets	United States						
Europe	Coo (pumped storage), Vilvoorde BESS and Kallo	Belgium						
	First Hydro (pumped storage), Broxburn BESS and Cathkin	United Kingdom						
	Maxima BESS	Netherlands						
R&D			**0.2**	**1.0**	**0.9**	**0.7**	**0.9**	**0.3**
CLEAN TRANSPORTATION								
Clean transportation			**5.6**	**37.8**	**33.6**	**25.2**	**33.6**	**11.6**
Europe	EV charging stations	France, Belgium						
TRANSPORT AND DISTRIBUTION INFRASTRUCTURE								
T&D for renewable and low carbon gases			**4.9**	**32.9**	**29.2**	**21.9**	**29.2**	**10.1**
Europe	Biomethane injection	France						
ENERGY EFFICIENCY								
Energy efficiency			**3.7**	**25.0**	**22.2**	**16.7**	**22.2**	**7.7**
Europe	District heating networks	France						
	Miscellaneous	Italy, Germany						
Middle East	Industrial waste heat recovery project	United Arab Emirates						
R&D			**0.4**	**2.8**	**2.5**	**1.9**	**2.5**	**0.9**
TOTAL			**119.7**	**804.4**	**715.0**	**536.2**	**715.0**	**246.6**

All of the projects (and the related CAPEX) set out in the above table for a total of €3.14 billion are allocated to the green bonds issued by ENGIE SA between September 2023 and June 2024, in proportions enabling the senior green bonds issued between September 2023 and March 2024 and the PNC6 hybrid bond to be fully allocated and the PNC9 hybrid bond issued in June 2024 to be partially allocated.

As a reminder, the green bonds issued by ENGIE SA from 2014 and until July 2023 have been fully allocated. Details of the Eligible Green Projects and the corresponding allocations were published in the 2014 to 2023 Registration and Universal Registration Documents.

The funds allocated to Eligible Green Projects in 2024 include €3 billion for investments made in 2024 (including €248.9 million in financial CAPEX for the acquisition of pure players, and €200.7 million in maintenance CAPEX), €107.7 million for investments made in 2023, and €20.4 million for investments made in 2022.

The allocations contribute to the funding or acquisition of Eligible Green Projects on:

- renewable energy production (solar power, wind power, hydropower, bioenergy, low-carbon hydrogen, and/or geothermal energy);
- energy storage;
- renewable gas transmission and distribution networks;
- clean mobility; and
- energy efficiency.

1. Renewable energy production

The energy transition and the development of renewable energy on a global scale are a strategic priority for ENGIE. The Group's installed centralized and decentralized electricity production capacity, taken at 100% for its renewables production businesses represents 43% of its installed capacity. ENGIE is targeting a 58%-66% share of installed renewable energy capacity in its electricity production portfolio taken at 100% by 2030. In 2024, ENGIE continued to expand its portfolio of renewable assets, mainly in wind and solar, by developing new projects, in particular in North America and Europe. It continued to invest in offshore wind via the joint venture, Ocean Winds. The Group aims to achieve 100% renewable gases in its energy mix in 2050, with the intermediate 2030 objective of having a production capacity of 10 TWh a year in Europe. In France, ENGIE BiOZ initiates, develops, finances, builds and operates biomethane production units, and is one of the market leaders. In 2024, ENGIE also acquired several biomethane producers elsewhere in Europe (Belgium, the Netherlands and the UK).

In 2024, a total amount of €2 billion was allocated to Eligible Green Projects relating to renewable energy production. When fully operational, these projects should contribute to avoiding at least 2.24 million metric tons of CO_2 eq. of greenhouse gas emissions per year.

ENGIE uses the concept of avoided emissions to promote the decarbonizing nature of its products and services. The Group has developed an internal methodology for calculating avoided emissions and a database of emission factors, which are regularly updated to bring them into line with international standards.

For a given customer need (e.g., electricity supply), the emissions avoided by an ENGIE product or service correspond to the difference between the *baseline* emissions and the emissions of the ENGIE product/service. All emissions are calculated using a life-cycle assessment (LCA) approach. The baseline corresponds to the market average of solutions to which the customer would have had access to meet its need, in the absence of ENGIE. For every ENGIE product generating avoided emissions, the baseline is carefully defined, in order to build a credible and consistent scenario over time of user behavior by country. In particular, this baseline evolves over time to reflect the decarbonization of energy systems.

Avoided emissions can therefore be calculated over the lifetime of an ENGIE asset, or on an annual basis. In the case of green bonds, avoided emissions are calculated on an annual basis, and taken at 100% regardless of the Group's percentage of ownership of the projects.

Emission factors are a key component in calculating avoided emissions. ENGIE uses an internal database, which is developed and managed by a dedicated R&D team. It is based on external sources (IPPC guidelines, Ecoinvent, Enerdata, for example).

For renewable electricity generation projects, the baseline corresponds to the average electricity consumption mix of the country in which the project is located, reflecting the average of the country's electricity supply technologies. This baseline is compared with the LCA emissions from the ENGIE asset (solar, wind, hydropower or thermal plant asset consuming decarbonized fuel).

For renewable gas projects, the baseline corresponds to the gas mix of the country in which the project is located, including the penetration rate for renewable gases (biomethane and green hydrogen).

For heating network installations, avoided emissions correspond to the difference in emissions between the ENGIE asset and the emissions related to the equivalent production of heat by a stand-alone gas boiler (assuming 90% efficiency).

2. Energy storage

Energy storage solutions play a major role in the energy transition and are an essential link in electricity grids. By storing energy produced at times when wind and solar sources are at their most productive, and/or when demand is lowest, they respond to the need to offset the intermittent supply of renewable energy, which represents an increasing proportion of energy production.

This is one of the reasons why ENGIE invests in pumped storage and battery storage.

The Eligible Green Projects related to energy storage include:

- the development in the United States of battery storage units, either independent or co-located with a renewable energy production asset;
- the Dinorwig (1,728 MW) and Ffestiniog (360 MW) pumped storage facilities in the United Kingdom, owned and operated by First Hydro, which is 75% owned by ENGIE;
- the Coo pumped storage plant (Belgium), where investments are being made to expand its storage facilities in order to increase its installed power by 79 MW;
- power battery storage projects in Belgium, the Netherlands and the UK.

In 2024, a total amount of €765.4 million was allocated to Eligible Green Projects relating to energy storage. When fully operational, these projects should contribute to reducing greenhouse gas emissions by at least 0.03 million metric tons of CO_2 eq. per year.

With regard to the methodology for calculating the contribution to avoided emissions for energy storage projects, their decarbonizing nature comes from the fact that the assets are charged with electricity when the grid is experiencing low demand (and therefore when the electricity is low-carbon), and discharged during peak periods in demand in order to relieve the grid, when the grid's electricity is high-carbon. Avoided emissions therefore come from the difference in the network's emission factors between peak (baseline) and off-peak periods, taking into account losses at the storage asset.

The project's contribution to avoided emissions is calculated based on one year of operation (full operating mode), taken at 100%, regardless of the Group's percentage of ownership.

3. Clean mobility

ENGIE is strongly committed to working with local authorities, highway concession-holders and companies, to roll out and connect a network of charging stations for electric vehicles that are available and competitive for the benefit of users. The Group has won several tenders in France and Belgium in this fast-growing market.

In 2024, a total amount of €147.5 million was allocated to Eligible Green Projects relating to low-carbon mobility.

For clean mobility projects, avoided emissions are calculated by comparing the level of emissions of ENGIE projects with a reference scenario, in this case, the same distance traveled by vehicles representative of the average fleet at the project country or regional level, taking into account local decarbonization trends (electrification of part of the fleet, the use of greener fuels).

4. Transport and distribution networks for renewable gases

Through its networks business lines in France, the Group is pursuing efforts to develop the methanization (anaerobic digestion) of organic waste into renewable gases and to recover them through injection into the gas networks. This relates, in particular, to investments to connect biomethane production units to ENGIE distribution and transport networks.

In 2024, a total amount of €128.3 million was allocated to Eligible Green Projects in these areas.

5. Energy efficiency

Another of the Group's strategic focuses is the development of high efficiency energy networks to support the transition to a low-carbon economy.

In 2024, a total amount of €108.3 million was allocated to Eligible Green Projects relating to energy efficiency. When fully operational, these projects should contribute to reducing greenhouse gas emissions by at least 0.36 million metric tons of CO_2 eq. per year.

To calculate the contribution to avoided emissions made by energy efficiency projects (including green buildings), ENGIE evaluates them by multiplying energy savings from the project by the emissions of the energy mix in the country where the project is being developed. Avoided emissions are calculated based on one year of operation (full operating mode), taken at 100%, regardless of the Group's percentage of ownership of the projects.

5.3.3.3 Statement of finalized overall allocations

5.3.3.3.1 Green bond issued in September 2023: FR001400KHI6

Allocation of the aforementioned green bond began in 2023 and was completed in 2024. The main geographic areas concerned by the allocation are North America and Europe, which accounted for 51.8% and 43.4% of the amounts invested, respectively. With regard to the technologies used, the main project subcategories concerned by the allocation are energy storage (32.4%), solar (29.1%), wind (19.0%), hydropower (5.8%) and renewable gas transmission and distribution networks (3.3%).

Geographic areas	Allocated funds *(in %)*
North America	51.8%
Europe	43.4%
South America	2.4%
Africa	1.2%
Asia and Oceania	1.0%
Middle East	0.2%

Technology	Allocated funds *(in %)*
Electricity storage	32.4%
Solar power	29.1%
Wind power	19.0%
Hydropower	5.8%
Renewable and low-carbon gas transmission and distribution networks	3.3%
Other (district heating networks, bioenergy, clean mobility, geothermal energy, low-carbon H_2, etc.)	10.4%

5.3.3.3.2 Green bonds issued between December 2023 and June 2024: FR001400MF86, FR001400OJC7, FR001400OJE3, FR001400QOK5

The above-mentioned green bonds have been allocated proportionately across the same set of Eligible Green Projects. The main geographic areas concerned by the allocation are Europe and North America, which accounted for 52.9% and 43.3% of the amounts invested, respectively. With regard to the technologies used, the main project subcategories concerned by the allocation are wind (28.1%), solar (26.0%), and energy storage (21.7%).

Geographic areas	Allocated funds *(in %)*
Europe	52.9%
North America	43.3%
Asia and Oceania	2.2%
South America	1.4%
Middle East	0.2%

Technology	Allocated funds *(in %)*
Wind power	28.1%
Solar power	26.0%
Electricity storage	21.7%
Bioenergy	6.2%
Hydropower	5.1%
Clean transportation	4.2%
Other (transport and distribution of renewable and low-carbon gas, geothermal energy, low-carbon H_2, district heating networks, energy efficiency)	8.6%

In line with the Group's commitments, a more detailed description of the impacts in terms of avoided emissions and the related methodology is available in the ESG section of the Group's website (www.engie.com/en/csr/green-bonds).

5.3.4 Limited assurance report of one of the statutory auditors on information relating to the allocation, as of December 31, 2024, of funds raised through the Green Bonds issued on September 6, 2023, December 6, 2023, March 6, 2024, June 14, 2024 and October 28, 2024

This is a free English translation of the report of one of the statutory auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended December 31, 2024

To the Chief Executive Officer,

In our capacity as statutory auditor of Engie S.A. (the "**Company**"), and at your request, we have conducted procedures to express a reasoned limited assurance conclusion on the following information ("the Information"):

- the allocation, as of December 31, 2024, of funds raised through the Green Bonds issued on September 6, 2023 of €900 million, on December 6, 2023 of €900 million, on March 6, 2024 of a total amount of €1,400 million in two tranches, on June 14, 2024 of a total amount of €1,835 million in two tranches and on October 28, 2024 of GBP 500 million, presented in the attached document entitled "Green Bonds" (the "**GB Issue Agreement**")
- the projects financed by the Issue and identified as eligible by the Company ("Eligible Projects").

The Information was prepared in the context of the Green Bond issues of September 6, 2023, December 6, 2023, March 6, 2024, June 14, 2024 and October 28, 2024 (the "Green Bond Offerings") and the green financing framework defined by the entity ("**Green Financing Framework**").

Limited assurance conclusion

Based on our procedures as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the Information has not been prepared, in all material respects, in accordance with the Green Financing Framework and the preparation basis set out in the section "Preparation of the Information by the Company".

We do not express an assurance conclusion on information relating to earlier periods not covered by the GB Issue Agreements or on any other information not included in the Green GB Agreements.

We have not reviewed and do not provide any assurance on other individual project information reported.

Preparation of the Information by the Company

The absence of a commonly used and generally accepted reporting framework or established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Green Financing Framework, the main items of which are presented on the Company's website.

Responsibility of the Company

Management is responsible for:

- selecting or drawing up appropriate criteria to prepare the Information;
- selecting eligible projects based on eligibility criteria;
- preparing the information in accordance with the GB Issue Agreements and the Green Financing Framework;
- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

It is our responsibility to:

- plan and perform the engagement to obtain limited assurance on whether the Information is free from material misstatement, whether due to fraud or error;
- form a reasoned conclusion, based on procedures we have performed and the evidence we have obtained;
- share our conclusion with Company management.

As it is our responsibility to issue an independent conclusion on the Information prepared by management, we are not authorized to participate in the preparation of the Information, as this could compromise our independence.

However, it is not our responsibility to:

- challenge the eligibility criteria defined in the appendix to the GB Issue Agreements and, in particular, provide an interpretation of the terms of the GB Issue Agreements;
- issue an opinion on the effective use of the funds allocated to the Eligible Projects after such funds have been allocated.

Applicable professional standards

Our procedures were performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement and with ISAE 3000 (revised).

Independence and quality control

We have complied with the independence and other ethical requirements of the French Code of Ethics (*code de déontologie*) for statutory auditors, as well as the provisions set forth in Article L. 821-28 of the French Commercial Code (*code de commerce*) and the ethical standards issued by the IESBA (International Ethics Standard Board for Accountants).

In addition, we have implemented a system of quality control including documented policies and procedures ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement.

Our work was carried out by an independent and multidisciplinary team with experience in sustainable development and corporate social responsibility

Nature and scope of work

We planned and performed our work taking account of the risk of material misstatement of the Information.

The nature, timing and scope of procedures implemented on the Information is based on our professional judgment, including the assessment of the risk of material misstatement, whether due to fraud or error.

Our procedures consisted in:

- obtaining an understanding of the procedures implemented by the Company to determine the information presented in the enclosed document;
- assessing the compliance, in all material respects, of the Eligible Projects referred to in the attached document with the eligibility criteria, by performing substantive procedures using sample testing or other selection methods, as defined in the appendix to the GB Issue Agreements and the Green Financing Framework;
- verifying, using sample testing or other selection methods, the appropriate allocation of the funds raised by the Issues to Eligible Projects;
- verifying the total percentage of investments realized under the Eligible Projects financed by each of issues;
- performing, using sample testing or other selection methods, the necessary reconciliations between the information and the underlying accounting books and records and verifying that the information agrees with the data used to prepare the consolidated financial statements for the years ended December 31, 2022, December 31, 2023 and December 31, 2024;
- verifying the consistency of the information concerning funds raised but not allocated.

The procedures conducted in a limited assurance engagement differ in nature and timing from those required to issue a reasonable assurance opinion and are substantially less in scope. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than the assurance that would have been obtained had we performed a reasonable assurance engagement.

This report was prepared in the context described above and must not be used, distributed or referred to for any other purpose.

Paris-La Défense, March 7, 2025

One of the statutory auditors

DELOITTE & ASSOCIÉS

Nadia Laadouli Laurence Dubois

5.4 SHARE OWNERSHIP

5.4.1 Stock price

ENGIE SHARE PRICE AND TRADING VOLUMES (PARIS)

2024	High(1) *(in euros)*	Low(1) *(in euros)*	Trading volume(2)
January	16.55	14.66	4,894,976
February	14.84	14.10	6,366,418
March	15.63	14.67	5,384,384
April	16.27	15.40	5,523,993
May	16.27	15.19	5,159,002
June	15.53	13.21	8,810,417
July	14.54	13.73	5,859,800
August	15.93	14.52	5,476,524
September	16.12	15.52	5,400,676
October	16.14	15.33	4,858,933
November	15.47	14.87	5,330,060
December	15.31	14.82	4,631,242

(1) Daily closing prices.
(2) Daily average (source: Bloomberg).

Since deregistering its shares with the U.S. Securities & Exchange Commission on October 30, 2009, ENGIE has maintained an unlisted Level 1 American Depositary Receipt (ADR) program on a U.S. stock exchange. These ADRs are traded on the Nasdaq over-the-counter market.

5.4.2 Breakdown of share capital

5.4.2.1 Change in the breakdown of share capital and voting rights

As of December 31, 2024, the Company held 2,435,285,011 shares, including 9,443,689 in treasury stock.

MAJOR CHANGES IN THE ENGIE SHARE OWNERSHIP STRUCTURE DURING THE PAST THREE FISCAL YEARS

	December 31, 2024				December 31, 2023		December 31, 2022	
	Number of shares	% of share capital	% of theoretical voting rights(1)	% of exercisable voting rights	% of share capital	% of theoretical voting rights(1)	% of share capital	% of theoretical voting rights(1)
Public	1,642,469,559	67.44	56.44	56.60	55.30	47.81	58.07	49.82
French State	575,693,307	23.64	34.13	34.23	23.64	33.80	23.64	33.56
The Capital Group Companies	155,073,365	6.37	5.06	5.08	5.03	3.98	4.83	3.79
CDC Group(2)	112,250,342(3)	4.61	4.23	4.24	4.61	4.27	4.61	4.24
BlackRock	127,259,471	5.23	4.00	4.01	4.99	3.83	4.37	3.32
Employee share ownership plans	95,428,114	3.92	4.91	4.93	3.31	3.99	3.88	4.82
Treasury stock	9,443,689	0.39	0.29	0.00	0.57	0.43	0.60	0.45
Management	NM	NM	NM	NM	NM	NM	NM	NM
TOTAL	**2,435,285,011**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(1) Pursuant to Article 223-11 of the AMF General Regulations, the number of theoretical voting rights is calculated on the basis of all shares to which voting rights are attached, including shares held by the Group, from which voting rights have been removed.
(2) CDC Group (Caisse des Dépôts et Consignations + CNP Assurances).
(3) Shares allocated as follows: CDC (directly) holds 88,303,888 shares (3.63% of the share capital and 3.49% of theoretical voting rights) and CNP Assurances holds 23,946,454 shares (0.98% of the share capital and 0.74% of theoretical voting rights).

Pursuant to Article L.233-13 of the French Commercial Code, it is stipulated that, to the best of ENGIE's knowledge, only the French State and The Capital Group Companies held a stake of more than 5% of the share capital or voting rights at the end of fiscal year 2024.

The Group has more than 575,000 individual shareholders. At December 31, 2024, they held around 207 million shares, or nearly 8.5% of the Company's share capital.

5.4.2.2 Breakdown of shares held directly and indirectly by employees

On December 31, 2024, employees held 95.4 million ENGIE shares, i.e., 3.92% of the share capital and 4.91% of theoretical voting rights within the meaning of paragraph 1 of Article L.225-102 of the French Commercial Code, broken down as follows:

Link France mutual fund (FCPE)	52.4 million
Link International mutual fund (FCPE)	14.9 million
Direct shareholding formulas	28.1 million
TOTAL SHARES HELD BY EMPLOYEES	**95.4 MILLION**

5.4.3 Disclosure thresholds

Following the acquisition and disposal of ENGIE shares on the open market and the change in the number of shares held as collateral, BlackRock and The Capital Group Companies made several disclosures that they had exceeded or dropped below the legal threshold of one-twentieth (5%) of the share capital or voting rights.

Finally:

- on November 6, 2024, BlackRock exceeded the threshold of 5% of ENGIE's share capital and held 5.002% of the share capital and 3.83% of the voting rights on that date. This threshold was crossed due to ENGIE shares being acquired on and off the market, and an increase in the number of ENGIE shares held as collateral;
- on February 17, 2025, The Capital Group Companies dropped below the threshold of 5% of ENGIE's voting rights and held 6.21% of the share capital and 4.99% of the voting rights on that date. This threshold was crossed due to the disposal of ENGIE shares on the market.

To the Company's knowledge, as of the date of this Universal Registration Document, only the French State, BlackRock and The Capital Group Companies hold share capital and/or voting rights in ENGIE that exceed one of the legal thresholds.

5.4.4 Golden share

Pursuant to Article L.111-68 of the French Energy Code, the French State is required to hold at least one share in the Company.

Pursuant to Article L.111-69 of the French Energy Code, ENGIE's share capital includes a "golden share" resulting from the conversion of one common share owned by the French State to preserve essential French interests in the energy sector, particularly as regards the continuity and security of the energy supply. The golden share is granted to the French State indefinitely and entitles it to veto decisions made by ENGIE or its French subsidiaries, which directly or indirectly seek to sell in any form whatsoever, transfer the operation, assign as collateral or guarantee or change the intended use of certain assets covered by the French Energy Code, if it considers they could harm essential French interests in the energy sector, particularly as regards the continuity and security of the energy supply.

Pursuant to Article D.111-20 of the French Energy Code, the French State's golden share grants it the rights defined in Article D.111-21 of the French Energy Code, particularly the assets covered by the French State's veto rights, i.e.,

- natural gas pipelines located in France;
- assets related to the distribution of natural gas in France;
- natural gas underground storage located in France;
- liquefied natural gas facilities located in France.

Pursuant to those same provisions, all decisions of this nature must be reported to the French Minister of the Economy.

The abovementioned decisions are deemed to be authorized if the Minister of the Economy does not veto them within one month of the date of their disclosure, as recorded by a receipt issued by the administration. This period may be extended for a period of 15 days by order of the Minister of the Economy. Before the expiration of the abovementioned period, the Minister of the Economy may waive its veto rights. If there is a veto, the Minister of the Economy will communicate the reasons of his or her decision to the company in question. The Minister of the Economy's decision may be appealed.

Pursuant to Article 2 of Decree No. 2019-1071 of October 22, 2019, and Article 3 of Decree No. 93-1296 of December 13, 1993, any transaction executed in violation of these rules is automatically null and void.

As of the date of this Universal Registration Document, to the best of ENGIE's knowledge, there is no agreement relating to an operation on any entity that is a member of the ENGIE Group concerned by these provisions, or any agreement which, if implemented, could lead to a change in its control.

5.4.5 Dividend distribution policy

ENGIE strives to achieve a dynamic and attractive dividend distribution policy. The Board of Directors has updated the Group's dividend policy, which aims to distribute 65% to 75% of net recurring income, Group share, and increased its minimum limit from €0.65 previously to €1.10 per share starting in 2025.

For 2024, the Board of Directors has therefore proposed to distribute 65% of the net recurring income Group share, i.e., a dividend of €1.48 per share. This proposal will be submitted to the shareholders for approval at the Shareholders' Meeting on April 24, 2025.

Furthermore, in order to encourage and reward shareholder loyalty, the Shareholders' Meeting of April 28, 2014 instituted a 10% dividend mark-up for shareholders who have held their shares in registered form for at least two years. This 10% mark-up may not exceed, for a single shareholder, 0.5% of the share capital as at the end of the previous fiscal year. This mark-up and ceiling are the maximum authorized by Article L.232-14 of the French Commercial Code, as set out in Article 26.2 of ENGIE's bylaws. This measure was applied for the first time to the dividend payment for fiscal year 2016.

The Group's outlook and guidance, presented in Section 6.1.1.1.2 "2025-2027 outlook and guidance," do not constitute under any circumstances a commitment by the Company. Future dividends will be determined on a year-by-year basis depending on the Company's earnings, financial position and any other factors considered relevant by the Board of Directors in preparing its proposals to the Shareholders' Meeting.

DIVIDEND PER SHARE OVER THE LAST FIVE YEARS

Fiscal year *(fully paid-up shares)*	**Net dividend per share** *(in euros)*
2019[1]	0
2020	0.53
2021	0.85
2022	1.40
2023	1.43

(1) On April 1, 2020, the Board of Directors decided not to distribute dividends for fiscal year 2019, in a spirit of responsibility and prudence in the exceptional context of the Covid-19 epidemic.

After a period of five years, unclaimed dividends are automatically paid to the French Treasury.

5.4.6 Shareholders' agreement

At the date of this Universal Registration Document and to the best of ENGIE's knowledge, there are no shareholders' agreements nor any agreement whose implementation could lead to a change in control over the Company in place.

5.5 FINANCIAL REPORTING SCHEDULE

Publication of 2024 annual earnings and medium-term objectives	February 27, 2025
Shareholders' Meeting	April 24, 2025
Publication of first-quarter 2025 results	May 15, 2025
Publication of 2025 half-year results	August 1, 2025
Publication of results for the first nine months of 2025	November 6, 2025

6

FINANCIAL INFORMATION AFR

6.1 REVIEW OF THE FINANCIAL POSITION

6.1.1 Management report

6.1.1.1 ENGIE full-year 2024 results

ENGIE full-year financial results

- Another year of strong operational and financial performance.
- Proposed dividend of €1.48 per share for 2024.

Business highlights

- Record level of activity in Renewables with 4.2 GW added in 2024, bringing total capacity to 46 GW(1).
- Acceleration in battery storage with more than 5 GW of capacity in operation or under construction at December 31, 2024.
- Expansion in power transmission with the award of close to 1,200 km in Brazil and Peru.
- Continuous progress in our Net Zero 2045 trajectory with a 55% reduction in GHG emissions from energy production compared to 2017 to 48 Mt in 2024.
- Approval by the European Commission of the final agreement on Belgian nuclear.

Financial performance

- High end of the 2024 Guidance achieved with NRIgs(2) of €5.5 billion, an organic increase of 3.4%.
- EBIT excluding nuclear of €8.9 billion, down 5.6% organically versus a high 2023 basis for comparison.
- Strong CFFO(3) generation at €13.1 billion.
- Maintaining a solid balance sheet with economic net debt to EBITDA ratio at 3.1x stable *vs.* end-2023.
- Net financial debt and economic net debt at €33.2 billion and €47.9 billion respectively.
- Proposed increased dividend of €1.48 for 2024, corresponding to a pay-out ratio of 65%.

6.1.1.1.1 Key financial figures at December 31, 2024

In billions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
Revenues	73.8	82.6	-10.6%	-10.7%
EBITDA (excluding Nuclear)	13.4	13.7	-2.5%	-2.0%
EBITDA	15.6	15.0	+3.7%	+4.2%
EBIT (excluding Nuclear)	8.9	9.5	-6.2%	-5.6%
Net recurring income of continuing activities, Group share	5.5	5.4	+3.1%	+3.4%
Net income, Group share	4.1	2.2	+85.9%	
CAPEX(1)	10.0	10.6	-6.1%	
Cash Flow From Operations (CFFO)	13.1	13.1	-0.1%	
Net financial debt	33.2		+€3.7 billion versus Dec. 31, 2023	
Economic net debt	47.9		+€1.4 billion versus Dec. 31, 2023	
Net financial debt	3.1x		stable compared to Dec. 31, 2023	

(1) Net of DBSO sell down (Develop, Build, Share & Operate), US tax equity proceeds, including net debt acquired.

6.1.1.1.2 2025-2027 outlook and guidance

The objectives for the financial years ending December 31, 2025, 2026 and 2027 presented below are based on data, assumptions and estimates considered reasonable by the Group at the date of publication of this document.

These data and assumptions may change or be modified as a result of uncertainties relating to the financial, accounting, competitive, regulatory and tax environments, or other factors of which the Group is not aware at the date of registration of this document. Furthermore, the realization of forecasts depends on the success of the Group's strategy. Consequently, the Group neither undertakes nor gives any guarantee that the forecasts set out in this section will be achieved.

(1) Total capacity including a 0.8 GW adjustment related to a change in definition.
(2) Net recurring income Group share.
(3) Cash Flow From Operations: Free Cash Flow before maintenance CAPEX and nuclear phase-out expenses.

The objectives presented below and underlying assumptions have also been established in accordance with the provisions of Delegated Regulation (EU) No. 2019/980, a supplement to Regulation (EU) No. 2017/1129, and the ESMA recommendations on forecasts.

These objectives result from the budget and medium-term plan processes described in Note 13 to the consolidated financial statements; they have been established on a basis comparable to historical financial information and in accordance with the accounting policies applied to the Group's consolidated financial statements for the year ended December 31, 2024 described in the consolidated financial statements.

2025-2027 outlook and guidance

In a context of reduced volatility and lower energy prices, and given a better-than-expected net recurring financial result for the full-year, ENGIE upgrades its net recurring income Group share target for 2025 to a range of €4.4-5.0 billion, compared to the previous range of €3.9-4.5 billion. EBIT excluding Nuclear is now expected to be within an indicative range of €8.0-9.0 billion (compared to the previous range of €7.9-8.9 billion).

2027: a year of growth for ENGIE

Following the significant reduction in the contribution of nuclear activity in 2026, the Group anticipates growth in its net recurring income (Group share) in 2027, reaching a range of €4.4-5.0 billion.

ENGIE's outlook for 2025-2027 is as follows:

In billions of euros	2025	2026	2027
EBIT excluding Nuclear (new)	**8.0 – 9.0**	**8.2 – 9.2**	**9.0 – 10.0**
EBIT excluding Nuclear (previous)	*7.9 – 8.9*	*8.2 – 9.2*	*n/a*
NRIgs guidance (new)	**4.4 – 5.0**	**4.2 – 4.8**	**4.4 – 5.0**
NRIgs guidance (previous)	*3.9 – 4.5*	*3.7 – 4.3*	*n/a*

ENGIE is committed to a strong investment grade credit rating and continues to target a ratio below or equal to 4.0x economic net debt to EBITDA over the long-term.

Assumptions

The assumptions used are as follows:

- guidance and indications based on continuing operations;
- no change in accounting policies;
- no major regulatory or macro-economic changes;
- tax based on current legal texts and additional contingencies;
- taking into account updated regulatory framework for 2024-2028 on French networks;
- full pass through of supply costs in French B2C retail tariffs;
- average temperature in France;
- average hydro, wind, and solar production;
  - average forex: €/USD: 1.05 – 1.07 – 1.09 for 2025-26-27,
  - €/BRL: 6.38 over 2025-27;
- Belgian nuclear availability: 81% for 2025 (reactors availabilities as published on REMIT as of January 1, 2025, excluding LTO);
- nuclear phase-out: Doel 1, 2 and 4, Tihange 1 and 3 from February 2025 to December 2025, LTO start: Tihange 3 on September 1, 2025 / Doel 4 on November 1, 2025;
- contingencies on Belgian operations – €0.15 billion for 2025;
- market commodity prices as of December 31, 2024;
- recurring net financial costs of €2.1-2.5 billion per year;
- recurring effective tax rate: 22-25% over 2025-27.

6.1.1.1.3 Proposed dividend of €1.48 per share for 2024

For 2024, the Board has proposed a payout ratio of 65% of net recurring income Group share. This translates to a dividend of €1.48 per share, which will be proposed for shareholder approval at the Annual General Meeting on April 24, 2025.

6.1.1.1.4 Successful roll-out of the strategic plan

Renewables

The Group's installed renewable capacity increased by a record of 4.2 GW in 2024, with 1.9 GW added in Latin America, 0.9 GW in Europe, 0.9 GW in the United States and 0.5 GW in AMEA. As of December 31, 2024, the Group has 6.8 GW of capacity under construction (75 projects) of which 1.7 GW partially commissioned. ENGIE's total installed capacity of Renewables is now at 46 GW.

The Group signed more than 85 power purchase agreements (PPAs) in 2024 for a total of 4.3 GW (+59% *vs.* 2023), of which 3.6 GW have a duration of more than five years. This performance includes new contracts with Meta in the United States, the expansion of the global partnership with Google, including new developments in Belgium and the United States, as well as agreements with other companies in the Tech sector, both in the US and in Europe.

During the fourth quarter 2024, ENGIE, through Ocean Winds, its 50-50 joint venture with EDP Renewables dedicated to offshore wind, won a 250 MW floating project from the French Ministry of Industry and Energy. The project is located off the coast of Narbonne, in the Mediterranean Sea.

Networks – Renewable gas

After winning a new concession in the third quarter for the construction and operation of approximately 1,000 km of electricity transmission lines and four substations in Brazil, ENGIE was awarded a contract for the construction of 170 km across three projects in Peru. This also includes the construction of three new substations and the expansion of four existing stations.

The development of biomethane continues in France, with an annual production capacity reaching 13 TWh connected to ENGIE's networks, an increase of 20% compared with December 31, 2023. ENGIE also continued its expansion in biomethane in the United Kingdom, Belgium, and the Netherlands.

Batteries

As of December 31, 2024, ENGIE had 2.6 GW of installed battery capacity worldwide and 2.6 GW under construction. Since the beginning of 2024, the Group has added approximately 1.0 GW of new capacity to its operational portfolio in North America, due in particular to the successful integration of Broad Reach Power.

Energy Solutions

Energy Solutions has accelerated the development of District heating and cooling networks, securing over €5 billion in additional order intake, achieving a record average renewable energy rate of 90%, while renewing all expiring concessions in France, and acquiring a portfolio of projects in Spain.

In the industrial market, the development of decarbonized energy production continues, with more than 20 new on-site production units secured in 2024 across Europe and Southeast Asia.

Disciplined capital allocation

In 2024, total CAPEX amounted to €10.0 billion. Growth CAPEX came to €7.3 billion, of which 84% in Renewables, Energy Solutions and Flex Gen.

Performance plan

The results of the performance plan contributed €231 million in 2024.

6.1.1.1.5 Nuclear in Belgium

On February 21, 2025, the European Commission approved under EU state aid rules the agreement between ENGIE and the Belgian government, announced on December 13, 2023, relating to the extension of the operation of the Tihange 3 and Doel 4 nuclear reactors and the obligations relating to nuclear waste. Pursuant thereto, ENGIE and the Belgian government are now concluding together various procedural steps with a view to closing the transaction on or before March 14, 2025.

6.1.1.1.6 Success of the Employee Shareholding Operation

On November 7, ENGIE successfully completed its employee shareholding operation, LINK 2024, with nearly 30,000 subscribing employees across about 20 countries for a total amount of €170 million (13.3 million shares). Thanks to LINK 2024, the share of ENGIE's capital held by employees now represents nearly 4%.

6.1.1.1.7 Strong progress on key ESG targets

In 2024, greenhouse gas (GHG) emissions related to energy production amounted to 48 million tonnes, a significant decrease of 55% compared to 2017. In addition to the structural levers of decarbonisation, this better-than-expected performance is also the result of a lower utilisation rate of combined cycle gas plants in Europe, which are increasingly used as a flexibility asset only running at peak hours.

The share of renewable energy in ENGIE's total power generation capacity increased from 41% at the end of 2023 to 43% at the end of December 2024, mainly due to the addition of 4.2 GW of renewable capacity throughout the year.

Regarding gender diversity target, ENGIE had 32% women in management positions at the end of 2024, another increase compared to the previous year. The Group continues to implement action plans to achieve the objective of managerial parity of 40% to 60% between women and men.

6.1.1.1.8 Health & safety

In 2024, ENGIE continued the implementation of its global transformation plan, ENGIE One Safety, aimed at sustainably eliminating serious and fatal accidents. The plan for 2024 focused on strengthening the health & safety culture and emphasizing the importance of managerial practices in the field, alongside our employees and subcontractors. Despite the efforts dedicated to this transformation plan, three people lost their lives while working for the Group or its subcontractors in 2024. Achieving the zero-fatality goal will be at the heart of our priorities for 2025. In addition, the Group continued to improve the prevention of lost-time accidents, as the frequency rate of these accidents fell from 1.8 at the end of 2023 to 1.7 at the end of 2024.

6.1.1.1.9 Full-year 2024 financial review

Revenues

Contributive **Revenues**, after elimination of intercompany operations, at €73.8 billion was down 10.6% on a gross basis and down 10.7% on an organic basis.

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
Renewables	5,467	5,512	-0.8%	-0.7%
Networks	7,231	6,873	+5.2%	+5.4%
Energy Solutions	9,853	10,405	-5.3%	-5.2%
FlexGen	4,937	5,264	-6.2%	-6.1%
Retail	14,070	16,443	-14.4%	-14.3%
Others	32,187	37,949	-15.2%	-15.3%
of which GEMS	*31,377*	*37,221*	*-15.7%*	*-15.9%*
TOTAL REVENUES (EXCLUDING NUCLEAR)	**73,744**	**82,447**	**-10.6%**	**-10.5%**
Nuclear	68	118	-42.8%	-42.8%
TOTAL REVENUES	**73,812**	**82,565**	**-10.6%**	**-10.7%**

EBITDA

EBITDA (excluding nuclear) at €13.4 billion, was down 2.5% on a gross basis and down 2.0% on an organic basis.

EBIT

EBIT (excluding nuclear) at €8.9 billion was down 6.2% on a gross basis and 5.6% on an organic basis.

- Foreign exchange: a net effect of -€82 million mainly driven by the depreciation of the Brazilian real, partly offset by the appreciation of the sterling pound.
- Scope: net effect of +€10 million.
- French temperatures: compared to the average, the temperature effect was a negative €93 million, generating a positive year-on-year variation of €28 million compared to FY 2023 across Networks, Retail and GEMS.

EBIT CONTRIBUTION BY ACTIVITY: DECLINE DUE TO GEMS PARTLY OFFSET BY RENEWABLES, NETWORKS AND RETAIL

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)	o/w temp. effect (France) vs. 2023
Renewables	2,198	2,005	+9.6%	+7.3%	
Networks	2,460	2,265	+8.6%	+15.3%	(63)
Energy Solutions	356	367	-3.0%	-3.1%	
FlexGen	1,467	1,513	-3.0%	-3.4%	
Retail	695	569	+22.0%	+22.5%	(22)
Others	1,718	2,761	-37.8%	-37.9%	(7)
of which GEMS	*2,382*	*3,551*	*-32.9%*	*-33.0%*	*(7)*
TOTAL EBIT (EXCLUDING NUCLEAR)	**8,893**	**9,479**	**-6.2%**	**-5.6%**	**(93)**
Nuclear	1,448	605	+139.4%	+139.4%	
TOTAL EBIT	**10,341**	**10,084**	**+2.5%**	**+3.3%**	**(93)**

ACTIVITY/GEOGRAPHY MATRIX

In millions of euros	France	Rest of Europe	Latin America	USA & Canada	Middle East, Asia & Africa	Others	Dec. 31, 2024
Renewables	594	279	913	352	93	(33)	2,198
Networks	1,520	201	761	(4)	-	(18)	2,460
Energy Solutions	315	174	(2)	(158)	67	(40)	356
FlexGen	366	382	294	45	419	(38)	1,467
Retail	462	244	-	-	24	(36)	695
Others	-	(11)	-	(3)	-	1,732	1,718
of which GEMS	-	-	-	-	-	*2,382*	*2,382*
TOTAL EBIT (EXCLUDING NUCLEAR)	**3,258**	**1,270**	**1,965**	**231**	**604**	**1,565**	**8,893**
Nuclear	423	1,025	-	-	-	-	1,448
TOTAL EBIT	**3,681**	**2,295**	**1,965**	**231**	**604**	**1,565**	**10,341**

In millions of euros	France	Rest of Europe	Latin America	USA & Canada	Middle East, Asia & Africa	Others	Dec. 31, 2023[1]
Renewables	574	282	925	216	34	(27)	2,005
Networks	1,156	324	800	(5)	-	(9)	2,265
Energy Solutions	343	190	(1)	(142)	24	(46)	367
FlexGen	188	703	202	35	419	(34)	1,513
Retail	380	145	-	-	64	(20)	569
Others	-	1	1	(9)	-	2,767	2,761
of which GEMS	-	-	-	-	-	3,551	3,551
TOTAL EBIT (EXCLUDING NUCLEAR)	**2,641**	**1,644**	**1,927**	**96**	**541**	**2,631**	**9,479**
Nuclear	324	281	-	-	-	-	605
TOTAL EBIT	**2,964**	**1,925**	**1,927**	**96**	**541**	**2,631**	**10,084**

(1) Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.

RENEWABLES: STRONG GROWTH DRIVEN BY VERY GOOD HYDROLOGY IN EUROPE AND THE CONTRIBUTION OF NEWLY COMMISSIONED CAPACITY

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
EBIT	2,198	2,005	+9.6%	+7.3%
Total CAPEX	4,221	4,130	+2.2%	
CNR achieved prices *(in euros/MWh)*[1]	104	100	+4.0%	
Operational KPIs				
Capacity additions (GW at 100%)	4.2	3.9	0.3	
Hydro volumes France (TWh at 100%)	18.3	14.6	3.8	

(1) Before hydro tax on CNR.

Renewables reported 7.3% organic EBIT growth, driven by exceptional hydrological conditions in France and Portugal throughout the year, as well as a strong contribution from newly commissioned capacity, notably in the United States, Latin America, and Europe. These positive elements offset the decline in prices in Europe, the CNR tax in France, the non-renewal of a positive one-off in Latam in 2023, and the impact of the decline in DBSO margins in 2024.

NETWORKS: STRONG GROWTH DRIVEN BY TARIFFS IN EUROPE

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
EBITDA	4,362	4,151	+5.1%	+8.5%
EBIT	2,460	2,265	+8.6%	+15.3%
Total CAPEX	2,343	2,173	+7.8%	
Operational KPIs				
Normative temp. effect (EBIT – France)	(63)	(81)	18	

Networks EBIT was up 15.3% on an organic basis driven by tariff increases in France and Romania as well as by the strong performance of gas and power assets in Latin America. These elements more than offset the lower revenues from capacity subscribed for gas transit between France and Germany that were particularly high in 2023 as well as the decrease in volatility on the wholesale markets after particularly favourable conditions for storage activities in Europe in 2023.

ENERGY SOLUTIONS: EBIT CONTRIBUTION HIT BY UNDERPERFORMANCE OF CONTRACTS IN THE US

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
Revenues	9,853	10,045	-5.3%	-5.2%
EBIT	356	367	-3.0%	-3.1%
Total CAPEX	1,076	1,086	-1.2%	
Operational KPIs				
Distrib. infra installed cap. *(in GW)*	25.7	25.3	0.4	
EBIT margin (excluding one-off)	+5.3%	+5.3%		
EBIT margin	+3.6%	+3.5%	10 bps	
Backlog – French concessions *(in billions of euros)*	21.5	21.3	0.2	

The Energy Solutions' activities recorded an organic decrease in their EBIT of 3.1%, due to the decline in margins of cogeneration installations and gas prices. They were also penalized by the decrease in DBSO margins of decentralized solar in the United States. However, the improved performance of energy performance management activities and the contribution of new investments largely offset these effects. The year 2024 was also marked by a comprehensive review of the contract portfolio in the United States, leading to the recognition of provisions in the third quarter of 2024 (€163 million), mainly related to the construction of two cogeneration units. These provisions are comparable to those of 2023 (€150 million), which also included the recognition of a deferred tax liability on Tabreed (€38 million).

FLEXGEN: HIGHER SPREADS CAPTURED IN EUROPE OFFSET BY THE IMPACT OF INFRAMARGINAL TAX AND THE NORMALISATION OF MARKET CONDITIONS

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
EBITDA	1,878	1,929	-2.7%	-3.6%
EBIT	1,467	1,513	-3.0%	-3.4%
Operational KPIs				
Average captured CSS Europe *(in euros/MWh)*	43	37	+16.2%	
Capacity (GW at 100%)	56.2	59.0	-4.7%	

Flex Gen EBIT experienced a slight organic decline of 3.4%, mainly due to the impact of the inframarginal tax in France and the decrease in CCGTs' load factors in Europe. By contrast, EBIT benefited from an increase in captured spreads in Europe, driven by the Group's hedging strategy and its ability to capture value from flexibility and volatility. Additionally, margins improved in Chile due to lower supply costs, supported by very good hydrology conditions.

RETAIL: GOOD PERFORMANCE DUE TO A ONE-OFF TIMING EFFECT

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
EBITDA	938	821	+14.2%	+14.6%
EBIT	695	569	+22.0%	+22.5%
Normative temp. effect (EBIT – France)	(22)	(29)	7	

The EBIT of Retail activities recorded an organic increase of 22.5%, primarily due to a one-off timing effect in energy sourcing and, to a lesser extent, colder temperatures combined with effective hedging portfolio optimization compared with 2023. This more than offset lower volumes resulting from continued sobriety effect and the impact of exceptional measures taken to support precarious clients.

Others: lower contribution from GEMS compared to a high level in 2023

GEMS EBIT amounted to €2,382 million, compared to €3,551 million in 2023. Excluding non-recurring effects, EBIT was supported by strong momentum in Client Risk Management & Supply activities, driven by historically favorable contract conditions materializing at delivery date. EBIT declined versus 2023 due to the normalization of market conditions and a decrease in inherent volatility.

EBIT was furthermore supported by several non-recurrent items including market reserve releases in 2024, albeit at a lower level than in 2023, as market conditions normalization continued.

NUCLEAR: STRONG GROWTH MAINLY DUE TO ENDING OF INFRA-MARGINAL TAX IN BELGIUM AND HIGHER CAPTURED PRICES

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)	% change (organic basis)
EBITDA	2,174	1,285	+69.2%	+69.2%
EBIT	1,448	605	+139.4%	+139.4%
Total CAPEX	244	174	+40.0%	
Operational KPIs				
Output (BE + FR, @ share, TWh)	31.5	32.0	-1.6%	
Availability (Belgium at 100%)	+86.2%	+88.8%	260 bps	

Nuclear reported €1,448 million of EBIT in 2024 compared with €605 million in 2023. This sharp rise is mainly due to the absence of inframarginal tax in Belgium, which ended in June 2023, as well as to higher captured prices. This positive effects more than offset the impact of the closure of the Tihange 2 reactor in February 2023 and a lower availability rate (86.2%) mainly due to the extension of the shutdown of the Doel 4 reactor.

Comparable basis organic growth analysis

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported/ organic basis)
Revenues	**73,812**	**82,565**	**-10.6%**
Scope effect	(201)	(91)	-
Exchange rate effect	-	(80)	-
Comparable data	**73,611**	**82,396**	**-10.7%**

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported/ organic basis)
EBITDA	**15,566**	**15,017**	**+3.7%**
Scope effect	(170)	(146)	-
Exchange rate effect	-	(95)	-
Comparable data	**15,396**	**14,777**	**+4.2%**

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported/ organic basis)
EBIT	**10,341**	**10,084**	**+2.5%**
Scope effect	(152)	(142)	-
Exchange rate effect	-	(82)	-
Comparable data	**10,189**	**9,860**	**+3.3%**

The calculation of organic growth aims to present comparable data both in terms of the exchange rates used to convert the financial statements of foreign companies and in terms of contributing entities (consolidation method and contribution in terms of comparable number of months). Organic growth in percentage terms represents the ratio between the data for the current year (Y) and the previous year (Y-1) restated as follows:

- the Y-1 data are corrected by removing the contributions of entities transferred during the Y-1 period or *prorata temporis* for the number of months after the transfer in Y;
- the Y-1 data are converted at the exchange rate for the period Y;
- the Y data are corrected with the Y acquisition data or *prorata temporis* for the number of months prior to the Y-1 acquisition.

Other income statement items

The reconciliation between EBIT and Net income/(loss) is presented below:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	% change (reported basis)
EBIT	**10,341**	**10,084**	**+2.5%**
(+) Mark-to-Market on commodity contracts other than trading instruments	(309)	2,430	
(+) Non-recurring share in net income of equity method entities	(212)	(22)	
Current operating income including operating MtM and share in net income of equity method entities	**9,820**	**12,493**	**-21.4%**
Impairment losses	(709)	(1,318)	
Restructuring costs	(369)	(47)	
Changes in scope of consolidation	439	(85)	
Other non-recurring items	(151)	(4,945)	
Income/(loss) from operating activities	**9,030**	**6,098**	**+48.1%**
Net financial income/(loss)	(1,842)	(2,163)	
Income tax benefit/(expense)	(2,215)	(1,031)	
NET INCOME/(LOSS)	**4,973**	**2,903**	
Net recurring income/(loss) Group share	**5,531**	**5,366**	
Net recurring income/(loss) Group share per share	**2.25**	**2.18**	
Net income/(loss) Group share	**4,106**	**2,208**	
Non-controlling interests	**867**	**695**	

The reconciliation between Net recurring income/(loss) Group share and Net income/(loss) Group share is presented below:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Net recurring income/(loss) Group share	**5,531**	**5,366**
Impairment losses	(709)	(1,318)
Restructuring costs	(369)	(47)
Changes in scope of consolidation	439	(85)
Other non-recurring items	(151)	(4,945)
Mark-to-Market on commodity contracts other than trading instruments	(309)	2,430
Non recurring net financial income/(loss)	66	(189)
Non recurring income tax benefit/(expense)	(181)	872
Other	(211)	123
Net income/(loss) Group share	**4,106**	**2,208**

Net income from operating activities amounted to €9,030 million. This year-on-year increase mainly reflects recognition in 2023 of the impact resulting from the review of nuclear provisions and lower net impairment losses during 2024, partly offset by the negative impact in mark-to-market on commodity contracts not qualifying as hedges.

In 2024, net income from operating activities was affected by:

- net impairment losses of €709 million (compared with net impairment losses of €1,318 million in 2023), mainly due to the effects of disposals, either in progress or finalized, as part of the Group's geographic or business refocus: two gas-fired power plants in Pakistan, a coal-fired power plant in Morocco and entities holding assets supplying solar solutions and mini-grids in Africa (see Note 9.1 "Impairment losses");
- restructuring costs of €369 million (compared with €47 million in 2023) (see Note 9.2 "Restructuring");
- positive €439 million in "Changes in scope of consolidation" (compared with a negative €85 million in 2023), mainly related to the partial disposal of a 15% stake in Transportadora Associada de Gás S.A. ("TAG") in Brazil and the partial disposal of a shareholding in Mayakan in Mexico (see Note 9.3 "Changes in scope of consolidation");
- other non-recurring items representing a negative €151 million, compared with a negative €4,945 million in 2023 (see Note 9.4 "Other non-recurring items").

Net financial loss amounted to €1,842 million in 2024, compared with €2,163 million in 2023 (see Note 10 "Net financial income/(loss)").

Adjusted for non-recurring items, net financial loss stood at €1,908 million in 2024, compared with €1,975 million in 2023. This €67 million improvement stems from a €240 million increase in other financial income, partly offset by a €173 million rise in the cost of net debt.

The **income tax expense** for 2024 amounted to €2,215 million (versus an income tax expense of €1,031 million in 2023).

Adjusted for these non-recurring items, the recurring effective tax rate was 27.6% at December 31, 2024 compared with 27.1% at December 31, 2023, mainly due to:

- the change in the tax situation in certain countries that only partially recognized their deferred tax assets in 2024 and/or 2023, notably Belgium, Mexico, Germany and the Netherlands (approximately +0.9 points);
- changes in the Group tax rate mix by country (approximately -0.5 points).

Net recurring income Group share came to €5,531 million, slightly up compared to 2023 (€5,366 million).

Net income Group share amounted to €4,106 million, compared with €2,208 million in 2023, mainly impacted by the change in income from operating activities.

Net income attributable to non-controlling interests amounted to €867 million, up €172 million compared to 2023.

6.1.1.2 Changes in net financial debt

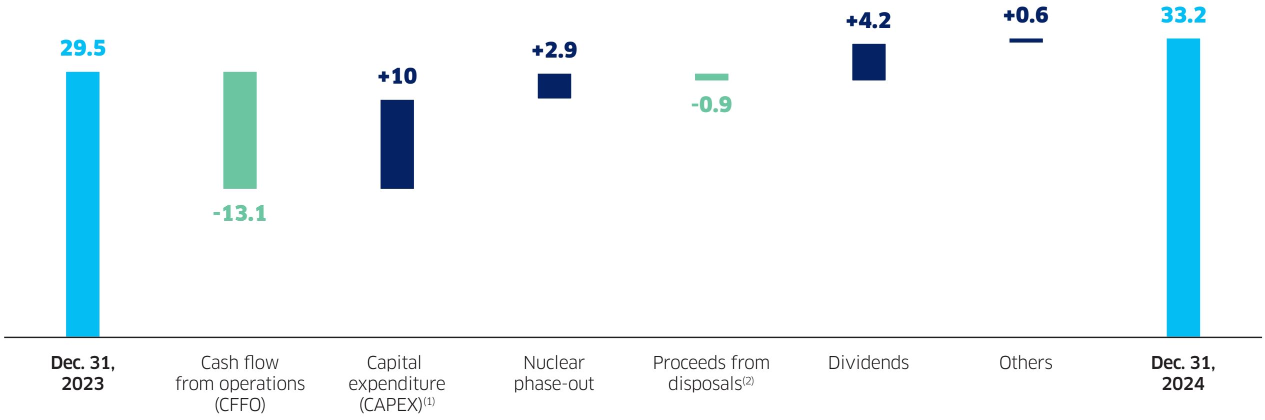
Net financial debt stood at €33.2 billion, up €3.7 billion compared to December 31, 2023.

This increase was mainly driven by:

- capital expenditure of €10 billion;
- dividends paid to ENGIE SA shareholders and to non-controlling interests of €4.1 billion;
- Belgian nuclear funding and expenses of €2.9 billion.

These elements were mainly offset by Cash Flow From Operations of €13.1 billion.

In billions of euros



(1) Capital expenditure net of DBSO and tax equity proceeds, as well as impacts of acquisitions.
(2) Including scope effects relating to disposals and acquisitions.

The **net financial debt to EBITDA ratio** stood at 2.1x, up 0.2x compared to December 31, 2023.

The average cost of gross debt was 4.59%.

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Net financial debt	33,223	29,493
EBITDA	15,566	15,017
NET DEBT/EBITDA RATIO	**2.13**	**1.96**

Excluding amortized cost but including the impact of foreign currency derivatives, at December 31, 2024, a total of 65% of net financial debt was denominated in euros, 18% in US dollars and 10% in Brazilian real.

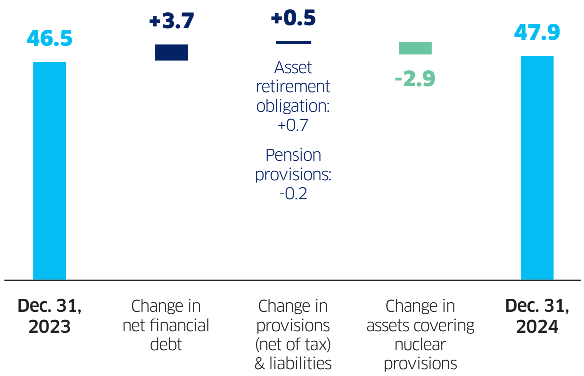
Including the impact of financial instruments, 84% of net financial debt was at fixed rates.

The average maturity of the Group's net financial debt is 13.0 years.

At December 31, 2024, the Group had total undrawn confirmed credit lines of €12.8 billion.

Economic net debt stood at €47.9 billion, up €1.4 billion compared to December 31, 2023.

In billions of euros



The **economic net debt to EBITDA** ratio stood at 3.1x, stable compared to December 31, 2023 and in line with the target ratio below or equal to 4.0x.

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Economic net debt	47,874	46,517
EBITDA	15,566	15,017
ECONOMIC NET DEBT/EBITDA RATIO	**3.08**	**3.10**

Rating

- S&P: BBB+ / A-2 with stable outlook.
- Moody's: Baa1 / P-2 with stable outlook.
- Fitch: BBB+ / F1 with stable outlook.

6.1.1.2.1 Cash flow from operations (CFFO)

Cash Flow From Operations (CFFO) amounted to €13.1 billion in 2024, stable compared to a particularly high 2023.

Working Capital Requirements were negative at €0.2 billion, with an improvement year-on-year of €0.8 billion. Positive effects from net receivables (+€4.4 billion) and margin calls (+€0.8 billion) offset negative effects mainly related to gas withdrawal (-€1.9 billion), tariff shields (-€1.5 billion), unbilled energy volumes (-€1.0 billion) and impacts from nuclear (-€0.4 billion)

6.1.1.2.2 Liquidity

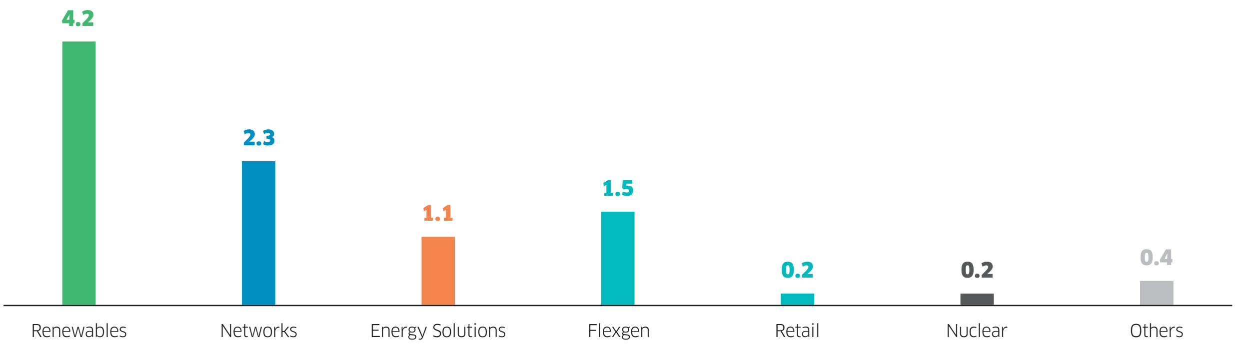
Liquidity stood at €25.5 billion as at December 31, 2024, including €17.7 billion of cash[(1)].

6.1.1.2.3 Capital expenditure (CAPEX)

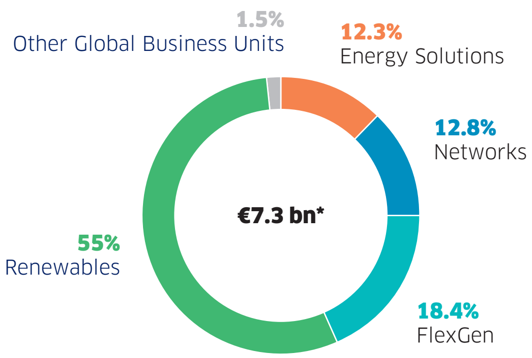
Total CAPEX amounted to €10.0 billion, including growth CAPEX of €7.3 billion.

CAPITAL EXPENDITURE (CAPEX) BY ACTIVITY

In billions of euros



Growth capital expenditure amounted to €7.3 billion, breaking down as follows by activity:



* *Net of DBSO sell down (Develop, Build, Share & Operate), US tax equity proceeds, including net debt acquired.*

Main projects *(€bn)*

Renewables	**4.0**
Brazil: Wind & Solar (Santo Agostinho, Assurua & Assu Sol)	1.1
Acquisitions Latam (Cruzeiro & Hat)	0.7
France Wind & Solar (mainly ENGIE Green)	0.5
Chile (Lomas de Taltal & Battery energy storage system projects)	0.4
Acquisitions Europe	0.3
Mexico (photovoltaic and wind projects)	0.2
Networks	**0.9**
French regulated infrastructures	0.4
AmericasTransmission Lines	0.2
Biomethane acquisitions	0.1
FlexGen	**1.2**
Broad Reach Power projects	0.7
Flémalle	0.2

(1) *Cash and cash equivalents plus liquid debt instruments held for cash investment purposes minus bank overdrafts.*

The **geography/activity matrix** for growth capital expenditure is presented below:

In millions of euros	France	Rest of Europe	Latin America	USA & Canada	Middle East, Asia & Africa	Others	Dec. 31, 2024
Renewables	500	420	2,610	188	288	5	4,012
Networks	439	167	330	-	-	-	935
Energy Solutions	495	191	33	98	50	28	895
FlexGen	33	536	104	680	(164)	2	1,191
Retail	44	42	-	-	9	56	152
Nuclear	-	78	-	-	-	-	78
Others	-	-	-	15	-	15	30
of which GEMS	-	-	-	-	-	*89*	*89*
TOTAL GROWTH CAPEX	**1,511**	**1,434**	**3,076**	**981**	**183**	**106**	**7,292**

In millions of euros	France	Rest of Europe	Latin America	USA & Canada	Middle East, Asia & Africa	Others	Dec. 31, 2023(1)
Renewables	323	481	1,103	994	1,059	7	3,966
Networks	501	164	174	-	-	-	839
Energy Solutions	477	155	1	136	79	48	895
FlexGen	42	299	14	1,492	(8)	5	1,843
Retail	53	45	-	-	8	54	160
Nuclear	-	19	-	-	-	-	19
Others	-	8	-	1	6	354	370
of which GEMS	-	-	-	-	-	*82*	*82*
TOTAL GROWTH CAPEX	**1,395**	**1,171**	**1,291**	**2,622**	**1,144**	**468**	**8,091**

(1) Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.

6.1.1.3 Other items in the statement of financial position

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Net change
Non-current assets	**110,185**	**119,023**	**(8,838)**
of which goodwill	*13,291*	*12,864*	*427*
of which property, plant and equipment and intangible assets, net	*72,352*	*66,399*	*5,953*
of which derivative instruments	*6,689*	*12,764*	*(6,075)*
of which investments in equity method entities	*8,373*	*9,213*	*(841)*
Current assets	**79,359**	**75,617**	**3,742**
of which trade and other payables	*16,173*	*20,092*	*(3,919)*
of which derivative instruments	*6,366*	*8,481*	*(2,115)*
of which assets classified as held for sale	*1,248*	-	*1,248*
Total equity	**41,458**	**35,724**	**5,734**
Provisions	33,621	32,593	1,028
Borrowings	52,006	47,287	4,720
Derivative instruments	13,646	24,561	(10,915)
Other liabilities	48,812	54,475	(5,663)
of which liabilities directly associated with assets classified as held for sale	*560*	-	*560*

The carrying amount of property, plant and equipment and intangible assets amounted to €72.4 billion, up €6.0 billion compared with December 31, 2023. This change is mainly due to capital expenditure over the period (positive €10.8 billion), changes in the scope of consolidation (positive €0.7 billion), partially offset by depreciation/amortization expenses (negative €5.1 billion) and impairment losses recognized over the period (negative €0.9 billion).

Goodwill amounted to €13.3 billion, up slightly on 2023 (see Note 13 "Fixed assets").

Investments in equity method entities amounted to €8.4 billion, down compared to December 31, 2023.

Total equity amounted to €41.5 billion, an increase of €5.7 billion compared with December 31, 2023. This increase stemmed mainly from net income for the period (positive €5.0 billion impact), other comprehensive income (positive €3.5 billion impact resulting mainly from cash flow hedges on commodities), partly offset by dividends paid (negative €4.1 billion impact).

Provisions amounted to €33.6 billion, slightly up compared with December 31, 2023 (see Note 17 "Provisions").

6.1.1.4 Proforma data

ENGIE Group is changing its organization starting February 1, 2025

Since 2021, ENGIE has successfully implemented its energy transition strategy with major transformations of its asset portfolio, its organization and culture and the growth of its key businesses aligned with its commitment to be Net Zero Carbon in 2045.

At the same time, energy markets have been changing rapidly, with increased need for flexible assets to support the stability of power markets as renewables become a key source of generation, as well as growing demand from customers for green energy supply throughout the year and throughout the day.

To leverage these opportunities and maximize value from its integrated model, ENGIE is adjusting the scope of its Global Business Units (GBU) (see Note 24 "Subsequent events"):

- to deliver more green and smart electrons, the GBU Renewables and Flex Power will combine renewables, power storage facilities (notably batteries) and CCGTs;
- to fully benefit from the central role of networks in the energy system, the GBU Networks will continue to develop power networks and adapt gas infrastructure to green molecules, while promoting their development (biomethane, H_2, and e-molecules);
- to deliver the decarbonization of industries and cities, the GBU Energy Solutions, renamed GBU Local Energy Infrastructures, will build on its undisputed European leadership, while increasing selectivity in both business and geography;
- to leverage the Group's assets and deliver secure and sustainable energy to all customers, the GBU Supply & Energy Management will bring together energy management as well as downstream activities, BtoB and BtoC (Retail).

This change in the Group organization has no impact on the identification of operating and reportable segments at December 31, 2024. Nevertheless, the table below shows unaudited proforma EBIT figures for 2024 and 2023 based on the new organization effective from February 1, 2025.

In millions of euros (unaudited figures)	Dec. 31, 2024 proforma	Dec. 31, 2023 proforma
Renewables & Flex Power	**3,696**	**3,539**
Renewables & BESS	*2,413*	*2,310*
Gas generation	*1,283*	*1,229*
Infrastructures	**2,953**	**2,762**
Networks	*2,429*	*2,243*
Local Energy Infrastructures	*524*	*519*
Supply & Energy Management	**3,077**	**4,120**
BtoC	*695*	*569*
BtoB	*1,067*	*1,581*
Energy Management	*1,316*	*1,970*
Other	**(833)**	**(942)**
TOTAL EBIT (EXCLUDING NUCLEAR)	**8,893**	**9,479**
Nuclear	**1,448**	**605**
TOTAL EBIT	**10,341**	**10,084**

6.1.1.5 Parent company financial statements

The figures provided below relate to the financial statements of ENGIE SA, prepared in accordance with French GAAP and applicable regulations.

Revenues for ENGIE SA in 2024 totaled €40,805 million, a decrease compared to 2023 (€54,149 million) on the gas and electricity market.

The company reported a net operating gain of €766 million in 2024, a sharp increase of €1,753 million compared with a loss of €987 million in 2023. The energy margin improved by €1,344 million.

Net financial income amounted to €654 million, stable compared to 2023.

Non-recurring income (€2,627 million) was mainly impacted the value of equity investments (including Electrabel SA).

The income tax benefit amounted to €412 million, versus an income tax benefit of €247 million in 2023, including a tax consolidation benefit of €378 million.

Net income for the year came in at €4,460 million.

Shareholders' equity amounted to €29,372 million compared with €28,376 million at the end of 2023. The €996 million increase was mainly due to the 2024 net income of €4,460 million, and to the 2023 dividend payment of €3,503 million.

At December 31, 2024, borrowings and debt stood at €49,341 million, and cash and cash equivalents totaled €13,494 million (of which €7,209 million relating to current accounts with subsidiaries).

Information relating to payment terms

Pursuant to Articles L.441-14 and D.441-6 of the French Commercial Code, companies whose annual financial statements are subject to a statutory audit must publish information regarding supplier and customer payment terms. The purpose is to demonstrate that there is no significant failure to comply with such terms.

INFORMATION RELATING TO SUPPLIER AND CUSTOMER PAYMENT TERMS MENTIONED IN ARTICLES L.441-10 TO L.441-16 OF THE FRENCH COMMERCIAL CODE

	Articles L.441-10 to L.441-16: Invoices received, unpaid and overdue at the reporting date						Articles L.441-10 to L.441-16: Invoices issued, unpaid and overdue at the reporting date					
In millions of euros	**0 day (indicative)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day or more)**	**0 day (indicative)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day or more)**
(A) BY AGING CATEGORY												
Number of invoices	-					21,581						5,077,152
Aggregate invoice amount (incl. VAT)	-	16.2	17.5	-	386.3	420.0		201.7	16.7	23.4	630.5	872.3
Percentage of total amount of purchases (incl. VAT) for the period	-	0.03%	0.04%	0.00%	0.83%	0.90%						
Percentage of total revenues (incl. VAT) for the period								0.42%	0.03%	0.05%	1.31%	1.81%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED RECEIVABLES AND PAYABLES												
Number of excluded invoices						460						243
Aggregate amount of excluded invoices						(22.1)						0.6
(C) STANDARD PAYMENT TERMS USED (CONTRACTUAL OR LEGAL TERMS – ARTICLE L.441-6 OR ARTICLE L.443-1 OF THE FRENCH COMMERCIAL CODE)												
Payment terms used to calculate late payments							Contractual payment terms: 14 days					
	Legal payment terms: 30 days						Legal payment terms: 30 days					

6.1.2 Capital resources

6.1.2.1 Borrowing conditions and financial structure applicable to the issuer

6.1.2.1.1 Debt structure

Gross debt, excluding bank overdrafts, amortized cost and financial derivative instruments amounted to €47.2 billion at the end of 2024, up from year-end 2023. It was primarily composed of €34.8 billion in bond issues and €6.8 billion in bank borrowings. Other borrowings and drawdowns on credit lines accounted for a total of €0.6 billion. Short-term borrowings (short-term marketable securities) accounted for 11% of total gross debt at the end of 2024.

84% of the gross debt was issued on financial markets (bond issues and short-term marketable securities). Net debt, excluding amortized costs, the effect of financial derivative instruments and cash collateral, came to €29.4 billion at the end of 2024. At the end of 2024, net debt was 65% denominated in euros, 18% in U.S. dollars and 10% in Brazilian reals, excluding amortized cost and after the foreign exchange impact of derivatives.

After the impact of derivatives, 84% of the net debt was at a fixed rate. The average cost of gross debt was 4.6%. The average maturity of net debt was 13 years at the end of 2024.

The principal contracts entered into by ENGIE SA are described in Note 11 of Section 6.4.2 “Notes to the parent company financial statements.”

6.1.2.1.2 Main transactions in 2024

The main transactions performed in 2024 affecting net financial debt are described in Note 14.3.3. of Section 6.2.2 “Notes to the consolidated financial statements.”

In June 2024, the Group exercised its first option to extend the €4.5 billion syndicated credit line refinanced in September 2023, thus extending its maturity to September 13, 2029.

6.1.2.1.3 Ratings

ENGIE has solicited ratings by Standard & Poor's, Moody's and Fitch.

In November 2024, S&P confirmed ENGIE SA's issuer rating at BBB+/A-2, with a stable outlook.

In July 2024, Moody's confirmed ENGIE SA's issuer rating at Baa1/P-2, with a stable outlook.

In July 2024, Fitch downgraded ENGIE SA's long-term issuer rating from A- to BBB+, and confirmed the short-term F1 rating, with a stable outlook.

6.1.2.2 Restrictions on the use of capital

At December 31, 2024, the Group had total undrawn confirmed credit lines of €12.8 billion. These lines are usable, among other things, as back-up lines for the short-term marketable securities programs. Almost 93% of these lines are centrally managed. At the end of 2024, no centralized "revolving" facility was in use and their availability is not subject to any financial covenant or linked to a credit risk rating. The counterparties of these lines are well diversified, with no single counterparty holding more than 10% of the total of these centralized lines.

Furthermore, the Group has set up credit lines for some subsidiaries, for which the documentation includes ratios based on their financial statements. These lines of credit are not guaranteed by ENGIE SA or GIE ENGIE Alliance. The definition, as well as the level of these ratios, also known as “financial covenants,” are determined by agreement with the lenders and may be reviewed during the life of the loan.

The most frequent ratios are:

- Debt Service Cover Ratio = Free Cash Flow (Principal + interest expense) or for servicing interest (Interest Cover Ratio = EBITDA/interest expense);
- Loan Life Cover Ratio (adjustment of the average cost of the future Free Cash Flows debt divided by the borrowed amount still owed);
- Debt/Equity ratio or maintenance of a minimum amount of equity.

At December 31, 2024, all Group companies whose debt is consolidated were compliant with the covenants and representations contained in their financial documentation, with the exception of a few non-significant entities for which appropriate actions to achieve compliance are being implemented. No defaults linked to financial ratios or rating levels should be observed on the available centrally managed credit lines.

6.1.2.3 Expected sources of financing to honor commitments relating to investment decisions

The Group believes that its funding needs will be covered by available cash and by calling upon the capital markets on an ad hoc basis, as well as by the possible use of its existing credit facilities.

If necessary, dedicated financing could be established for very specific projects.

The Group has a total of €2.4 billion in financing that matures in 2025, excluding the maturity of €5 billion in short-term marketable securities. In addition, at December 31, 2024, it had €17.7 billion in cash (net of bank overdrafts) and a total of €12.8 billion in available lines, including €1.2 billion expiring in 2025. The amount of these available lines is not net of the amount of short-term marketable securities.

6.2 CONSOLIDATED FINANCIAL STATEMENTS

6.2.1 Consolidated financial statements

Income statement

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
REVENUES	**6.2 & 7**	**73,812**	**82,565**
Purchases and operating derivatives	8.1	(49,465)	(56,992)
Personnel costs	8.2	(8,623)	(8,149)
Depreciation, amortization and provisions	8.3	(5,547)	(4,911)
Taxes	8.4	(2,391)	(2,627)
Other operating income		1,185	1,541
Current operating income including operating MtM		**8,970**	**11,427**
Share in net income of equity method entities	6.2	850	1,066
Current operating income including operating MtM and share in net income of equity method entities		**9,820**	**12,493**
Impairment losses	9.1	(709)	(1,318)
Restructuring costs	9.2	(369)	(47)
Changes in scope of consolidation	9.3	439	(85)
Other non-recurring items	9.4	(151)	(4,945)
NET INCOME/(LOSS) FROM OPERATING ACTIVITIES		**9,030**	**6,098**
Financial expenses		(3,845)	(3,340)
Financial income		2,003	1,177
NET FINANCIAL INCOME/(LOSS)	**10**	**(1,842)**	**(2,163)**
Income tax benefit/(expense)	11	(2,215)	(1,031)
NET INCOME/(LOSS)		**4,973**	**2,903**
Net income/(loss) Group share		**4,106**	**2,208**
Non-controlling interests		**867**	**695**
Basic earnings/(loss) per share *(in euros)*(1)	12	1.66	0.88
Diluted earnings/(loss) per share *(in euros)*(1)	12	1.65	0.88

(1) In accordance with IAS 33 – Earnings Per Share, earnings per share and diluted earnings per share are based on net income/(loss) Group share after deduction of payments to holders of deeply-subordinated perpetual notes.

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

Statement of comprehensive income

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
NET INCOME/(LOSS)		**4,973**	**2,903**
Debt instruments	14.1	(17)	325
Net investment hedges	15	(265)	148
Cash flow hedges (excl. commodity instruments)	15	(271)	(83)
Commodity cash flow hedges	15	4,261	(3,162)
Deferred tax on recyclable or recycled items		(763)	765
Share of equity method entities in recyclable items, net of tax		(175)	36
Translation adjustments		206	(343)
Total recyclable items		**2,978**	**(2,315)**
Equity instruments	14.1	225	120
Actuarial gains and losses		404	(580)
Deferred tax on non-recyclable items		(75)	135
Share of equity method entities in actuarial gains and losses, net of tax		-	1
Total non-recyclable items		**554**	**(324)**
Total recyclable items and non-recyclable items		**3,532**	**(2,639)**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**8,505**	**264**
Of which owners of the parent		7,586	(717)
Of which non-controlling interests		919	981

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

Statement of financial position

ASSETS

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
NON-CURRENT ASSETS			
Goodwill	13.1	13,291	12,864
Intangible assets, net	13.2	7,964	8,449
Property, plant and equipment, net	13.3	64,388	57,950
Other financial assets	14	7,722	14,817
Derivative instruments	14	6,689	12,764
Assets from contracts with customers	7	3	1
Investments in equity method entities	3	8,373	9,213
Other non-current assets	22	908	990
Deferred tax assets	11	847	1,974
Total non-current assets		**110,185**	**119,023**
CURRENT ASSETS			
Other financial assets	14	11,959	2,170
Derivative instruments	14	6,366	8,481
Trade and other receivables, net	7	16,173	20,092
Assets from contracts with customers	7	9,229	9,530
Inventories	22	5,061	5,343
Other current assets	22	12,395	13,424
Cash and cash equivalents	14	16,928	16,578
Assets classified as held for sale	4	1,248	-
Total current assets		**79,359**	**75,617**
TOTAL ASSETS		**189,544**	**194,640**

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

EQUITY AND LIABILITIES

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
Shareholders' equity		34,556	30,057
Non-controlling interests	2	6,902	5,667
Total equity	**16**	**41,458**	**35,724**
NON-CURRENT LIABILITIES			
Provisions	17	15,909	18,792
Long-term borrowings	14	42,880	37,920
Derivative instruments	14	7,695	16,755
Other financial liabilities	14	97	82
Liabilities from contracts with customers	7	153	93
Other non-current liabilities	22	2,591	3,614
Deferred tax liabilities	11	5,875	5,632
Total non-current liabilities		**75,201**	**82,889**
CURRENT LIABILITIES			
Provisions	17	17,712	13,801
Short-term borrowings	14	9,127	9,367
Derivative instruments	14	5,951	7,806
Trade and other payables	14	19,153	22,976
Liabilities from contracts with customers	7	3,818	3,960
Other current liabilities	22	16,565	18,118
Liabilities directly associated with assets classified as held for sale	4	560	-
Total current liabilities		**72,884**	**76,027**
TOTAL EQUITY AND LIABILITIES		**189,544**	**194,640**

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

Statement of changes in equity

In millions of euros	Share capital	Additional paid-in capital	Consolidated reserves	Deeply-subordinated perpetual notes	Changes in fair value and other	Translation adjustments	Treasury stock	Shareholders' equity	Non-controlling interests	Total
EQUITY AT DECEMBER 31, 2022	**2,435**	**25,667**	**5,036**	**3,393**	**(668)**	**(1,422)**	**(189)**	**34,253**	**5,032**	**39,285**
Net income/(loss)	-	-	2,208	-	-	-	-	2,208	695	2,903
Other comprehensive income/(loss)	-	-	(307)	-	(2,348)	(270)	-	(2,925)	286	(2,639)
Total comprehensive income/(loss)	**-**	**-**	**1,901**	**-**	**(2,348)**	**(270)**	**-**	**(717)**	**981**	**264**
Share-based payment	-	-	53	-	-	-	-	53	-	53
Dividends paid in cash[(1)]	-	(1,752)	(1,675)	-	-	-	-	(3,427)	(522)	(3,949)
Purchase/disposal of treasury stock	-	-	(69)	-	-	-	12	(57)	-	(57)
Operations on deeply-subordinated perpetual notes	-	-	(80)	-	-	-	-	(80)	-	(80)
Transactions between owners[(2)]	-	-	(99)	-	-	-	-	(99)	(68)	(168)
Transactions with an impact on non-controlling interests	-	-	-	-	-	-	-	-	40	40
Share capital increases and decreases	-	-	-	-	-	-	-	-	201	201
Normative changes	-	-	(5)	-	-	-	-	(5)	-	(5)
Other changes[(3)]	-	-	137	-	-	-	-	137	4	140
EQUITY AT DECEMBER 31, 2023	**2,435**	**23,916**	**5,198**	**3,393**	**(3,015)**	**(1,693)**	**(177)**	**30,057**	**5,667**	**35,724**

(1) Transactions of the period are listed in Note 16 “Equity” to the consolidated financial statements for the year ended December 31, 2023.

(2) Mainly concerns the acquisition of the minority interest held by Mitsui & Co, Ltd (“Mitsui”) in International Power (Australia) Holdings Pty Limited (“IPAH”) (see Note 4 “Main changes in Group structure” to the consolidated financial statements for the year ended December 31, 2023).

(3) Mainly concerns the resolution of the dispute with the French tax authorities on the withholding tax receivable assigned without recourse by the Group in 2005. This dispute is presented in Note 23 “Legal and anti-trust proceedings” to the consolidated financial statements for the year ended December 31, 2023.

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

In millions of euros	Share capital	Additional paid-in capital	Consolidated reserves	Deeply-subordinated perpetual notes	Changes in fair value and other	Translation adjustments	Treasury stock	Shareholders' equity	Non-controlling interests	Total
EQUITY AT DECEMBER 31, 2023	**2,435**	**23,916**	**5,198**	**3,393**	**(3,015)**	**(1,693)**	**(177)**	**30,057**	**5,667**	**35,724**
Net income/(loss)	-	-	4,106	-	-	-	-	4,106	867	4,973
Other comprehensive income/(loss)	-	-	530	-	2,815	135	-	3,480	52	3,532
Total comprehensive income/(loss)	**-**	**-**	**4,636**	-	**2,815**	**135**	-	**7,586**	**919**	**8,505**
Share-based payment	-	(9)	98	-	-	-	-	90	-	90
Dividends paid in cash[(1)]	-	(2,882)	(621)	-	-	-	-	(3,503)	(627)	(4,130)
Purchase/disposal of treasury stock	-	-	(105)	-	-	-	55	(49)	-	(49)
Operations on deeply-subordinated perpetual notes[(1)]	-	-	(80)	645	-	-	-	565	-	565
Transactions between owners[(1)]	-	-	(189)	-	-	-	-	(189)	912	724
Transactions with an impact on non-controlling interests	-	-	-	-	-	-	-	-	1	1
Share capital increases and decreases	-	-	-	-	-	-	-	-	30	30
Other changes	-	-	-	-	-	-	-	-	(1)	(1)
EQUITY AT DECEMBER 31, 2024	**2,435**	**21,025**	**8,937**	**4,038**	**(200)**	**(1,557)**	**(122)**	**34,556**	**6,902**	**41,458**

(1) Transactions of the period are listed in Note 16 "Equity".
NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

Statement of cash flows

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
NET INCOME/(LOSS)		**4,973**	**2,903**
- Share in net income/(loss) of equity method entities		(850)	(1,066)
+ Dividends received from equity method entities		1,097	1,031
- Net depreciation, amortization, impairment and provisions		5,991	11,020
- Impact of changes in scope of consolidation and other non-recurring items		(290)	136
- Mark-to-market on commodity contracts other than trading instruments		(136)	(2,430)
- Other items with no cash impact		(441)	(382)
- Income tax expense	11	2,215	1,031
- Net financial income/(loss)	10	1,842	2,163
Cash generated from operations before income tax and working capital requirements		**14,401**	**14,407**
+ Tax paid		(1,030)	(1,687)
Change in working capital requirements	**22.1**	**(227)**	**397**
CASH FLOW FROM OPERATING ACTIVITIES		**13,144**	**13,117**
Acquisitions of property, plant and equipment and intangible assets	13.2 & 13.3	(9,385)	(7,328)
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	4 & 14	(670)	(1,392)
Acquisitions of investments in equity method entities and joint operations	3 & 4	(66)	(237)
Acquisitions of equity and debt instruments	14	1,693	(1,675)
Disposals of property, plant and equipment, and intangible assets	13.2 & 13.3	75	122
Loss of controlling interests in entities, net of cash and cash equivalents sold	4 & 14	279	27
Disposals of investments in equity method entities and joint operations	3 & 4	529	131
Disposals of equity and debt instruments	14	32	(8)
Interest received on financial assets		475	118
Dividends received on equity instruments		(12)	9
Change in loans and receivables originated by the Group and other		(4,289)	(1,585)
CASH FLOW FROM (USED IN) INVESTING ACTIVITIES		**(11,338)**	**(11,818)**
Dividends paid[(1)]		(4,147)	(4,067)
Repayment of borrowings and debt		(3,707)	(6,671)
Change in financial assets held for investment and financing purposes		(475)	15
Interest paid		(1,732)	(1,058)
Interest received on cash and cash equivalents		750	569
Cash flow on derivatives qualifying as net investment hedges and compensation payments on derivatives and on early buyback of borrowings		69	134
Increase in borrowings		6,087	10,716
Increase/decrease in capital		1,040	200
Purchase and/or sale of treasury stock		(86)	(57)
Changes in ownership interests in controlled entities	16	743	-
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES		**(1,457)**	**(218)**
Effects of changes in exchange rates and other		2	(73)
TOTAL CASH FLOW FOR THE PERIOD		**350**	**1,008**
Cash and cash equivalents at beginning of period		**16,578**	**15,570**
Cash and cash equivalents at end of period		**16,928**	**16,578**

(1) The line "Dividends paid" includes the coupons paid to owners of deeply-subordinated perpetual notes (see Note 16 "Equity").
NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

6.2.2 Notes to the consolidated financial statements

ENGIE SA, the parent company of the Group, is a French *société anonyme* with a Board of Directors that is subject to the provisions of Book II of the French Commercial Code (*Code du commerce*), as well as to all other provisions of French law applicable to French commercial companies. It was incorporated on November 20, 2004 for a period of 99 years.

It is governed by current and future laws and by regulations applicable to *sociétés anonymes* and its bylaws.

The Group is headquartered at 1, place Samuel-de-Champlain, 92400 Courbevoie (France).

ENGIE shares are listed on the Paris, Brussels and Luxembourg stock exchanges.

On February 26, 2025, the Group's Board of Directors approved and authorized for issue the consolidated financial statements of the Group for the year ended December 31, 2024.

NOTE 1 ACCOUNTING FRAMEWORK AND BASIS FOR PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 Accounting standards

Pursuant to European Regulation (EU) 2019/980 dated March 14, 2019, financial information concerning the assets, liabilities, financial position and profit or loss of ENGIE has been provided for the last two reporting periods (ended December 31, 2023 and 2024). This information was prepared in accordance with European Regulation (EC) 1606/2002 “on the application of international accounting standards” dated July 19, 2002. The Group's consolidated financial statements for the year ended December 31, 2024 have been prepared in accordance with IFRS Standards as published by the International Accounting Standards Board and endorsed by the European Union[1].

The accounting standards applied in the consolidated financial statements for the year ended December 31, 2024 are consistent with the policies used to prepare the consolidated financial statements for the year ended December 31, 2023, except for those described below.

1.1.1 IFRS Standards, amendments or IFRIC Interpretations applicable as from 2024

- Amendments to IAS 1 – *Presentation of Financial Statements:* Classification of current or non-current liabilities and non-current liabilities with covenants.
- Amendments to IFRS 16 – *Leases:* Lease Liability in a Sale and Leaseback.
- Amendments to IAS 7 – *Statement of Cash Flows* and IFRS 7 – *Financial Instruments*: *Disclosures* – Supplier Finance Arrangements.

These amendments have no material impact on the Group's consolidated financial statements.

1.1.2 IFRS Standards, amendments or IFRIC Interpretations effective from 2025 and that the Group has elected not to early adopt

- Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability.
- IFRS 18 – *Presentation and Disclosure in Financial Statements*[2].
- IFRS 19 – *Subsidiaries without Public Accountability*: *Disclosures*[2].
- Amendments to IFRS 9 – *Financial Instruments*; and IFRS 7 – *Financial Instruments: Disclosures* – Classification and measurement of financial instruments[2].
- Amendments to IFRS 9 – *Financial Instruments* and IFRS 7 – *Financial Instruments: Disclosures* – Contracts Referencing Nature-dependent Electricity[2].
- *Annual Improvements to IFRSs* – Volume 11[2].

The impact of these texts is currently being assessed.

1.2 Measurement and presentation basis

1.2.1 Historical cost convention

The Group's consolidated financial statements are presented in euros and have been prepared using the historical cost convention, except for financial instruments, which are accounted for under the financial instrument categories defined by IFRS 9.

1.2.2 Chosen options

1.2.2.1 Reminder of IFRS 1 transition options

The Group used some of the options available under IFRS 1 for its transition to IFRS in 2005. The options that continue to have an impact on the consolidated financial statements are:

- translation adjustments: the Group elected to reclassify cumulative translation adjustments within consolidated equity at January 1, 2004;
- business combinations: the Group elected not to restate business combinations that took place prior to January 1, 2004 in accordance with IFRS 3.

1.2.2.2 Business combinations

Business combinations carried out prior to January 1, 2010 were accounted for in accordance with IFRS 3 prior to the review. In accordance with IFRS 3 revised, these business combinations have not been restated.

Since January 1, 2010, the Group applies the purchase method as defined in IFRS 3 revised, which consists in recognizing the identifiable assets acquired and liabilities assumed at their fair values at the acquisition date, as well as any noncontrolling interests in the acquiree. Non-controlling interests are measured either at fair value or at the entity's proportionate interest in the net identifiable assets of the acquiree. The Group determines on a case-by-case basis which measurement option to be used to recognize non-controlling interests.

1.2.2.3 Consolidated statement of cash flows

The consolidated statement of cash flows is prepared using the indirect method starting from net income.

“Interest received on financial assets” is classified within investing activities because it represents a return on investments. “Interest received on cash and cash equivalents” is shown as a component of financing activities because the interest can be used to reduce borrowing costs. This classification is consistent with the Group's internal organization, where debt and cash are managed centrally by the Group Treasury Department.

(1) *Available on the European Commission's website: http://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX:02002R1606-20080410*
(2) *These standards and amendments have not yet been adopted by the European Union.*

As impairment losses on current assets are considered to be definitive losses, changes in current assets are presented net of impairment.

Cash flows relating to the payment of income tax are presented on a separate line.

1.2.3 Foreign currency transactions

1.2.3.1 Translation of foreign currency transactions

Foreign currency transactions are recorded in the functional currency at the exchange rate prevailing on the date of the transaction.

Functional currency is the currency of the primary economic environment in which an entity operates, which in most cases corresponds to local currency. However, certain entities may have a functional currency different from the local currency when that other currency is used for an entity's main transactions and better reflects its economic environment.

At each reporting date:

- monetary assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. The resulting translation gains and losses are recorded in the consolidated income statement for the year to which they relate;
- non-monetary assets and liabilities denominated in foreign currencies are recognized at the historical cost applicable at the date of the transaction.

1.2.3.2 Translation of the financial statements of subsidiaries with a functional currency other than the euro (the presentation currency)

The statements of financial position of these subsidiaries are translated into euros at the official year-end exchange rates. Income statement and cash flow statement items are translated using the average exchange rate for the year. Any differences arising from the translation of the financial statements of these subsidiaries are recorded under "Translation adjustments" as other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are classified as assets and liabilities of those foreign entities and are therefore denominated in the functional currencies of the entities and translated at the year-end exchange rate.

1.3 Use of estimates and judgment

1.3.1 Estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities and contingent assets and liabilities at the reporting date, as well as income and expenses reported during the period.

Developments in the economic and financial environment, particularly relating to volatile commodities markets, and the war in Ukraine have prompted the Group to step up its risk oversight procedures, mainly in measuring financial instruments, and assessing counterparty and liquidity risk. The estimates used by the Group, among other things, to test for impairment and to measure provisions, also take into account this environment and the market volatility.

Accounting estimates are made in a context that remains sensitive to energy market developments, therefore making it difficult to apprehend medium and short-term economic prospects. Particular attention has been paid to the consequences of fluctuations in the price of gas and electricity.

Due to uncertainties inherent in the estimation process, the Group regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used in preparing the Group's consolidated financial statements relate mainly to:

- measurement of the recoverable amount of goodwill (see Note 13.1), other intangible assets (see Note 13.2) and property, plant and equipment (see Note 13.3);
- measurement of the fair value of financial assets and liabilities, and factoring in the uncertainty surrounding the key assumptions used, in particular updating the main valuation inputs of commodity derivatives (see Notes 14 and 15);
- measurement of provisions, and particularly provisions for dismantling facilities, disputes, and pensions and other employee benefits (see Notes 17 and 18);
- measurement of un-metered revenues (energy in the meter), for which the valuation techniques have been impacted by changes in certain customers' consumption habits in a context of fluctuations in commodity prices (see Note 7);
- measurement of recognized tax loss carry-forwards, taking into account, where applicable, taxable income revisions and projections (see Note 11).

1.3.2 Judgment

As well as relying on estimates, Group management also makes judgments to define the appropriate accounting policies to apply to certain activities and transactions, particularly when the IFRS Standards and IFRIC Interpretations in force do not specifically deal with the related accounting issues.

In particular, the Group exercised its judgment in:

- assessing the nature of control (see Notes 2 and 3);
- identifying the performance obligations of sales contracts (see Note 7);
- determining how revenues are recognized for distribution or transmission services invoiced to customers (see Note 7);
- identifying "own use contracts" as defined by IFRS 9 within non-financial purchase and sale contracts (electricity, gas, etc.) (see Note 14);
- identifying offsetting arrangements that meet the criteria set out in IAS 32 – *Financial Instruments: Presentation* (see Note 14);
- determining whether arrangements are or contain a lease (see Note 13.3).

Entities for which judgment on the nature of control has been exercised are listed in Note 2 “Main subsidiaries at December 31, 2024” and Note 3 “Investments in equity method entities”.

1.3.3 Consideration of Environmental, Social and Governance (ESG) issues in the preparation of the Group's financial statements

The information contained in this chapter includes elements that are also required in preparing the Sustainability Statement in accordance with European Sustainability Reporting Standards ("ESRS", see Section 3.1 "Sustainability Statement"). These elements are identified using the **[ESRS]** pictogram and are presented in the cross-reference table in Section 3.1.5 "Appendices".

The risks and opportunities relating to Environmental, Social and Governance issues – identified during the double materiality assessment and described in Chapter 3 “Sustainability Statement and Vigilance Plan” – were taken into account when preparing the consolidated financial statements in order to determine any material impacts on the financial information presented.

The Group has exercised its judgment in selecting assumptions reflecting climate-related issues. In particular, it verified whether there were any indications that non-financial assets might be impaired or provisions needed to be recognized:

- the commitments made by France, Europe and various countries at international level, in particular with regard to medium- and long-term carbon neutrality, are taken into account (i) in assessing the value of the Group's assets, in particular through the long-term price scenarios used in impairment tests (see Note 13.4), and (ii) in assessing dismantling provisions, in particular by assessing the useful life of gas infrastructures in France based on the expected change in the energy mix (see Note 17);
- the commitments made specifically by ENGIE are also reflected in the assessment of the value of the Group's assets (see Note 13.4.1), in particular (i) the complete withdrawal from coal activities by 2027, which primarily concerns South America, depending on each asset's specific prospects (closure, conversion or disposal and discontinuance of sales) and (ii) the gradual decarbonization of the Group's power generation activities to net zero by 2045 and, more broadly, the Group's investment strategy in favor of the energy transition by expanding its renewable energy fleet, substituting natural gas with renewable gas, thereby confirming a mixed gas/electricity scenario in the Group's long-term projections under the present regulation/ remuneration methods for regulated assets (in France in particular), and developing low-carbon services offerings.

Assumptions reflecting other ESG issues were assessed to determine whether a provision needed to be recognized (see Note 17) or to provide additional information (see Note 23) in relation to the following topics:

- rehabilitation or restoration of sites (*e.g.*, infrastructure dismantling obligations, soil decontamination);
- the Group's exposure to risks relating to individuals, commercial disputes and other legal risks in the event of noncompliance with regulations or legislation, and its exposure to other disputes and investigations in connection with its own business activities (see Note 23).

As a reminder, the management of climatic and environmental risks, social and societal risks and their consequences for the Group are presented in Chapter 2 "Risk factors and internal control" and Chapter 3 "Sustainability Statement and Vigilance Plan" of the Universal Registration Document. **[ESRS 2 - SBM-3]**

NOTE 2 MAIN SUBSIDIARIES AT DECEMBER 31, 2024

ACCOUNTING STANDARDS

Controlled entities (subsidiaries) are fully consolidated in accordance with IFRS 10 – Consolidated Financial Statements. An investor (the Group) controls an entity and therefore must consolidate it if all of the following three criteria are met:

- it has the ability to direct the relevant activities of the entity;
- it has the rights and is exposed to variable returns from its involvement with the entity;
- it has the ability to use its power over the entity to affect the investor’s return.

2.1 List of main subsidiaries at December 31, 2024

The following lists are made available by the Group to third parties, pursuant to Regulation No. 2016-09 of the French accounting standards authority (ANC) issued on December 2, 2016:

- list of companies included in consolidation;
- list of companies excluded from consolidation because their individual and cumulative incidence on the Group’s consolidated financial statements is not material. They correspond to entities deemed not significant as regards the Group’s main key figures (revenues, total equity, etc.) or entities that have ceased all activities and are undergoing liquidation/closure proceedings;
- list of main non-consolidated interests.

This information is available on the Group’s website (www.engie.com, Investors/Regulated information section).

Non-consolidated companies are classified as non-current financial assets (see Note 14.1.1.1) under “Equity instruments at fair value”.

The list of the main subsidiaries consolidated under the full consolidation method presented below was determined, as regards operating entities, based on their contribution to Group revenues, EBITDA, net income and net financial debt. The main equity-accounted investments (associates and joint ventures) are presented in Note 3 "Investments in equity method entities".

Some entities such as ENGIE SA, ENGIE Énergie Services SA or Electrabel SA comprise both operating activities and headquarters functions which report to management teams of different reportable segments. In the following tables, these operating activities and headquarters functions are shown within their respective reportable segments under their initial company name followed by a * sign.

Renewables

			% interest	
Company name	**Activity**	**Country**	**Dec. 31, 2024**	**Dec. 31, 2023**
BTE Renewables	Electricity distribution and generation	South Africa	60.0	60.0
Compagnie Nationale du Rhône	Electricity distribution and generation	France	50.0	50.0
ENGIE Energía Perú*	Electricity distribution and generation	Peru	61.8	61.8
ENGIE Green	Electricity distribution and generation	France	100.0	100.0
ENGIE Renouvelables	Electricity distribution and generation	France	100.0	100.0
ENGIE Romania*(1)	Energy sales	Romania	63.0	51.0
Groupe ENGIE Brasil Energia*	Electricity distribution and generation	Brazil	68.7	68.7
Groupe ENGIE Energía Chile*	Electricity distribution and generation	Chile	60.0	60.0
Jupiter Equity Holding	Electricity distribution and generation	United States	51.0	51.0
Kathu Solar Park	Electricity distribution and generation	South Africa	57.7	57.7
Mercury Equity Holding	Electricity distribution and generation	United States	51.0	51.0
Saturn Equity Holding(2)	Electricity distribution and generation	United States	51.0	100.0
Saturn Storage Equity Holdings(2)	Electricity distribution and generation	United States	51.0	100.0
Tacoma Equity Holdco(2)	Electricity distribution and generation	United States	51.0	-

(1) On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.
(2) In September 2024, the Group finalized the sale of a minority stake in a 2.7 GW portfolio of storage and renewable energy assets in the United States.

Networks

			% interest	
Company name	**Activity**	**Country**	**Dec. 31, 2024**	**Dec. 31, 2023**
Elengy	Natural gas, LNG	France	60.8	60.8
ENGIE Romania*(1)	Natural gas distribution	Romania	63.0	51.0
Fosmax LNG	Natural gas, LNG	France	60.8	60.8
GRDF	Natural gas distribution	France	100.0	100.0
Groupe ENGIE Brasil Energia*	Electricity distribution	Brazil	68.7	68.7
Groupe ENGIE Energía Chile*	Electricity distribution	Chile	60.0	60.0
Groupe GRTgaz (excluding Elengy)(2)	Natural gas transportation	France, Germany	60.8	60.8
Storengy Deutschland	Underground natural gas storage	Germany	100.0	100.0
Storengy France	Underground natural gas storage	France	100.0	100.0

(1) On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.
(2) NaTran since January 30, 2025.

Energy Solutions

Company name	Activity	Country	% interest Dec. 31, 2024	% interest Dec. 31, 2023
CPCU	Urban heating networks	France	66.5	66.5
Energie SaarLorLux AG	Energy services	Germany	51.0	51.0
ENGIE Deutschland GmbH	Energy services	Germany	100.0	100.0
ENGIE Energie Services SA*	Energy services, Networks	France	100.0	100.0
ENGIE Servizi S.p.A	Energy services	Italy	100.0	100.0

FlexGen

Company name	Activity	Country	% interest Dec. 31, 2024	% interest Dec. 31, 2023
Electrabel SA*	Electricity generation, Energy sales	Belgium	100.0	100.0
ENGIE Energía Perú*	Electricity generation, Energy sales	Peru	61.8	61.8
ENGIE Energie Nederland N.V.*	Electricity generation, Energy sales	Netherlands	100.0	100.0
ENGIE Italia S.p.A*	Electricity generation, Energy sales	Italy	100.0	100.0
ENGIE SA*	Electricity generation, Energy sales	France	100.0	100.0
ENGIE Thermique France	Electricity generation, Energy sales	France	100.0	100.0
First Hydro Holdings Company	Electricity generation, Energy sales	United Kingdom	75.0	75.0
Group Broad Reach Power	Battery storage	United States	100.0	100.0
Groupe ENGIE Energía Chile*	Electricity generation, Energy sales	Chile	60.0	60.0
Pelican Point Power Limited	Electricity generation, Energy sales	Australia	100.0	100.0
UCH Power Limited	Electricity generation, Energy sales	Pakistan	100.0	100.0

Retail

Company name	Activity	Country	% interest Dec. 31, 2024	% interest Dec. 31, 2023
Electrabel SA*	Electricity generation, Energy sales	Belgium	100.0	100.0
ENGIE Italia S.p.A*	Electricity generation, Energy sales	Italy	100.0	100.0
ENGIE Romania*(1)	Natural gas distribution, Energy sales	Romania	63.0	51.0
ENGIE SA*	Electricity generation, Energy sales	France	100.0	100.0
Simply Energy	Energy sales	Australia	100.0	100.0

(1) On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.

Nuclear

Company name	Activity	Country	% interest Dec. 31, 2024	% interest Dec. 31, 2023
Electrabel SA*	Electricity generation, Energy sales	Belgium	100.0	100.0
Synatom	Managing provisions relating to power plants and nuclear fuel	Belgium	100.0	100.0

Others

Company name	Activity	Country	% interest	
			Dec. 31, 2024	Dec. 31, 2023
Cogac	Holding	France	100.0	100.0
Electrabel SA*	Electricity generation, Energy sales	Belgium	100.0	100.0
ENGIE CC	Financial subsidiaries, Central functions	Belgium	100.0	100.0
ENGIE Deutschland AG*	Holding, Energy management trading	Germany	100.0	100.0
ENGIE Energie Nederland Holding B.V.	Holding, Energy management trading	Netherlands	100.0	100.0
ENGIE Energie Nederland N.V.*	Electricity generation, Energy sales	Netherlands	100.0	100.0
ENGIE Energie Services SA*	Energy services, Networks	France	100.0	100.0
ENGIE Energy Management*	Energy management trading	France, Belgium, Italy, United Kingdom	100.0	100.0
ENGIE Energy Services International SA	Holding	Belgium	100.0	100.0
ENGIE Finance SA	Financial subsidiaries	France	100.0	100.0
ENGIE Global Markets	Energy management trading	France, Belgium, Singapore	100.0	100.0
ENGIE Holding Inc.	Holding – parent company	United States	100.0	100.0
ENGIE Italia S.p.A*	Holding, Energy management trading	Italy	100.0	100.0
ENGIE North America	Electricity distribution and generation, Natural gas, LNG, Energy services	United States	100.0	100.0
ENGIE Resources Inc.	Energy sales	United States	100.0	100.0
ENGIE Romania*(1)	Natural gas distribution, Energy sales	Romania	63.0	51.0
ENGIE SA*	Holding – parent company, Energy management trading, energy sales	France	100.0	100.0
ENGIE Group Participations	Holding	France	100.0	100.0
Genfina	Holding	Belgium	100.0	100.0
Groupe ENGIE Energía Chile*	Electricity distribution and generation	Chile	60.0	60.0
International Power Limited	Holding	United Kingdom	100.0	100.0
Tractebel Engineering International	Engineering	Belgium	100.0	100.0

(1) On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.

2.2 Significant judgments exercised when assessing control

The Group primarily considers the following information and criteria when determining whether it has control over an entity:

- governance arrangements: voting rights and whether the Group is represented in the governing bodies, majority rules and veto rights;
- the nature of substantive or protective rights granted to shareholders, relating to the entity's relevant activities;
- deadlock resolution mechanisms;
- whether the Group is exposed, or has rights, to variable returns from its involvement with the entity.

The Group exercised its judgment regarding the following entities and sub-groups.

Entities in which the Group has the majority of the voting rights

GRTgaz (France Infrastructures)[1]: 60.8%

The analysis of the shareholders' agreement concluded with Société d'Infrastructures Gazières, a subsidiary of *Caisse des Dépôts et Consignations* (CDC), which holds 38.6% of the share capital of GRTgaz, was completed by an assessment of the rights granted to the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* – CRE). As a regulated activity, GRTgaz has a dominant position on the gas transportation market in France. Accordingly, since the transposition of the Third European Directive of July 13, 2009 into French law (*Code de l'énergie* – Energy Code) on May 9, 2011, GRTgaz has been subject to independence rules as regards its directors and senior management team. The French Energy Code confers certain powers on the CRE in the context of its duties to control the proper functioning of the gas markets in France, including verifying the independence of the members of the Board of Directors and senior management and assessing the choice of investments. The Group considers that it exercises control over GRTgaz and

(1) NaTran since January 30, 2025.

its subsidiaries (including Elengy) based on the Group's ability to appoint the majority of the members of the Board of Directors and take decisions about the relevant activities, especially in terms of the level of investment and planned financing.

Entities in which the Group does not have the majority of the voting rights

For entities in which the Group does not have the majority of the voting rights, judgment is exercised with regard to the following items, in order to assess whether there is a situation of *de facto* control:

- dispersion of the shareholding structure: number of voting rights held by the Group relative to the number of rights held respectively by the other holders of voting rights and their dispersion;
- voting patterns at Shareholders' Meetings: the percentages of voting rights exercised by the Group at Shareholders' Meetings in recent years;
- governance arrangements: representation in the governing body with strategic and operational decision-making power over the relevant activities;
- rules for appointing key management personnel;
- contractual relationships and material transactions.

The main fully consolidated entity in which the Group does not have the majority of the voting rights at December 31, 2024 is Compagnie Nationale du Rhône (49.98%).

Compagnie Nationale du Rhône ("CNR" – Renewables France): 49.98%

The Group holds 49.98% of the share capital of CNR, with CDC holding 33.2%, and the balance of 16.82% being dispersed among around 200 local authorities. In view of the current provisions of the French "Murcef" law, under which a majority of CNR's share capital must remain under public ownership, the Group is unable to hold more than 50% of the share capital. However, the Group considers that it exercises *de facto* control as it holds the majority of the voting rights exercised at Shareholders' Meetings due to the widely dispersed shareholding structure and the absence of evidence of the minority shareholders acting in concert.

2.3 Main subsidiaries with non-controlling interests

The following table shows the subsidiaries with non-controlling interests that are deemed to be material, the respective contributions to equity and to net income at December 31, 2024 and December 31, 2023, as well as the dividends paid to non-controlling interests:

In millions of euros		Percentage interest of non-controlling interests		Net income/(loss) of non controlling interests		Equity of non-controlling interests		Dividends paid	
Company name	**Activity**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**
Groupe GRTgaz (France Infrastructures, France)(1)	Regulated gas transportation activities and management of LNG terminals	39.2	39.2	121	158	1,581	1,611	175	194
ENGIE Energía Chile Group (Latin America, Chile)(2)	Electricity distribution and generation – thermal power plants	40.0	40.0	67	(147)	592	504	20	0
ENGIE Romania Group (Rest of Europe, Romania)(3)	Distribution of natural gas, Energy sales	37.0	49.0	82	70	567	671	16	(0)
ENGIE Brasil Energia Group (Latin America, Brazil)(2)	Electricity distribution and generation	31.3	31.3	204	145	686	569	83	58
ENGIE Energía Perú (Latin America, Peru)(2)	Electricity distribution and generation – thermal and hydroelectric power plants	38.2	38.2	33	5	441	412	11	12
Other subsidiaries with non-controlling interests				360	464	3,036	1,900	321	258
TOTAL				**867**	**695**	**6,902**	**5,667**	**627**	**522**

(1) *NaTran since January 30, 2025.*
(2) *ENGIE Energia Chile, ENGIE Brasil Energia and ENGIE Energia Perú are listed in their respective countries.*
(3) *On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.*

2.3.1 Condensed financial information on main subsidiaries with non-controlling interests

The condensed financial information concerning these subsidiaries presented in the table below is based on a 100% interest and is shown before intragroup eliminations.

	Groupe GRTgaz[1]		ENGIE Energía Chile Group		ENGIE Romania Group[2]	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Income statement						
Revenues	2,562	2,623	1,597	1,732	1,747	2,111
Net income/(loss)	309	403	168	(367)	191	142
Net income/(loss) Group share	188	245	101	(220)	110	72
Other comprehensive income/(loss) – Group share	16	56	62	(43)	(26)	(7)
TOTAL COMPREHENSIVE INCOME/(LOSS) – GROUP SHARE	**204**	**301**	**163**	**(264)**	**83**	**65**
Statement of financial position						
Current assets	1,050	1,189	1,154	1,170	727	796
Non-current assets	9,675	9,780	3,885	3,058	1,270	1,062
Current liabilities	(1,418)	(1,325)	(586)	(655)	(345)	(398)
Non-current liabilities	(5,270)	(5,532)	(2,985)	(2,325)	(137)	(102)
TOTAL EQUITY	**4,036**	**4,112**	**1,469**	**1,247**	**1,515**	**1,358**
TOTAL EQUITY OF NON-CONTROLLING INTERESTS	**1,581**	**1,611**	**592**	**504**	**567**	**671**
Statement of cash flows						
Cash flow from operating activities	1,064	1,090	603	482	391	412
Cash flow from (used in) investing activities	(495)	(486)	(580)	(424)	(208)	(148)
Cash flow from (used in) financing activities	(588)	(616)	160	86	(137)	(254)
TOTAL CASH FLOW FOR THE PERIOD[3]	**(19)**	**(13)**	**183**	**144**	**47**	**11**

(1) NaTran since January 30, 2025.
(2) On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania.
(3) Excluding effects of changes in exchange rates and other.

	ENGIE Brasil Energia Group		ENGIE Energía Perú	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Income statement				
Revenues	1,924	1,979	664	704
Net income/(loss)	642	434	86	12
Net income/(loss) Group share	438	288	53	8
Other comprehensive income/(loss) – Group share	(176)	(73)	45	(24)
TOTAL COMPREHENSIVE INCOME/(LOSS) – GROUP SHARE	**262**	**216**	**98**	**(17)**
Statement of financial position				
Current assets	1,141	1,691	581	543
Non-current assets	6,404	5,571	1,842	1,778
Current liabilities	(897)	(1,081)	(375)	(372)
Non-current liabilities	(4,928)	(4,875)	(893)	(870)
TOTAL EQUITY	**1,720**	**1,306**	**1,155**	**1,079**
TOTAL EQUITY OF NON-CONTROLLING INTERESTS	**686**	**569**	**441**	**412**
Statement of cash flows				
Cash flow from operating activities	1,267	1,309	239	162
Cash flow from (used in) investing activities	(1,482)	(711)	(94)	(94)
Cash flow from (used in) financing activities	(3)	(39)	(60)	(72)
TOTAL CASH FLOW FOR THE PERIOD[1]	**(218)**	**559**	**86**	**(4)**

(1) Excluding effects of changes in exchange rates and other.

NOTE 3 INVESTMENTS IN EQUITY METHOD ENTITIES

ACCOUNTING STANDARDS

The Group accounts for its investments in associates and joint ventures using the equity method. Under IFRS 11 – *Joint Arrangements*, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. An associate is an entity over which the Group has significant influence.

The respective contributions of associates and joint ventures in the statement of financial position, the income statement and the statement of comprehensive income at December 31, 2024 and December 31, 2023 are as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Statement of financial position		
Investments in associates	4,043	4,259
Investments in joint ventures	4,330	4,954
INVESTMENTS IN EQUITY METHOD ENTITIES	**8,373**	**9,213**
Income statement		
Share in net income/(loss) of associates	329	486
Share in net income/(loss) of joint ventures	522	580
SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES	**850**	**1,066**
Statement of comprehensive income		
Share of associates in "Other comprehensive income/(loss)"	91	11
Share of joint ventures in "Other comprehensive income/(loss)"	(266)	26
SHARE OF EQUITY METHOD ENTITIES IN "OTHER COMPREHENSIVE INCOME/(LOSS)"	**(175)**	**37**

Impairment losses recognized on investments in equity method entities are commented on Note 13.4.

Significant judgments

The Group primarily considers the following information and criteria in determining whether it has joint control or significant influence over an entity:

- governance arrangements: voting rights and Group representation in the governing bodies, majority rules and veto rights;
- the nature of substantive or protective rights granted to shareholders, relating to the entity's relevant activities.

  This can be difficult to determine in the case of "project management" or "one-asset" entities, as certain decisions concerning the relevant activities are made upon the creation of the joint arrangement and remain valid throughout the project. Accordingly, the analysis of rights relates to the relevant residual activities of the entity (those that significantly affect the variable returns of the entity);
- deadlock resolution mechanisms;
- whether the Group is exposed, or has rights, to variable returns from its involvement with the entity.

  This can also involve analyzing the Group's contractual relations with the entity, in particular the conditions in which these contracts are entered into, their duration as well as the management of conflicts of interest that may arise when the entity's governing body casts votes.

The Group exercised its judgment regarding the following entities and sub-groups:

Project management entities in the Middle East and in Africa

The significant judgments made in determining the consolidation method to be applied to these project management entities related to the risks and rewards relating to contracts between ENGIE and the entity concerned, as well as an analysis of the residual relevant activities over which the entity retains control after its creation. The Group considers that it exercises significant influence or joint control over these entities, since the decisions taken throughout the term of the project about the relevant activities such as refinancing, or the renewal or amendment of significant contracts (sales, purchases, operating and maintenance services) require, depending on the case, the unanimous consent of two or more parties sharing control.

Joint control – difference between joint ventures and joint operations

Classifying a joint arrangement requires the Group to use its judgment to determine whether the entity in question is a joint venture or a joint operation. IFRS 11 requires an analysis of “other facts and circumstances” when determining the classification of jointly controlled entities.

The IFRS Interpretations Committee (IFRS IC) (November 2014) decided that for an entity to be classified as a joint operation, other facts and circumstances must give rise to direct enforceable rights to the assets, and obligations for the liabilities, of the joint arrangement.

In view of this position and its application to our analyses, the Group has no material joint operations at December 31, 2024.

3.1 Investments in associates

3.1.1 Contribution of associates to the Group

The table below shows the contribution of each material associate along with the aggregate contribution of associates deemed not material taken individually, in the consolidated statement of financial position, income statement, statement of comprehensive income, and the “Dividends received from equity method entities” line of the statement of cash flows.

The Group used qualitative and quantitative criteria to determine material associates. These criteria include the contribution to the consolidated line items “Share in net income/(loss) of associates” and “Investments in associates”, the total assets of associates in Group share, and associates carrying major projects in the study or construction phase for which the related investment commitments are material (100% capacity).

In millions of euros			Consolidation percentage of investments in associates		Carrying amount of investments in associates		Share in net income/(loss) of associates		Other comprehensive income/(loss) of associates		Dividends received from associates	
Company name	**Activity**	**Capacity**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**
Project management entities in the Middle East (Middle-East, Asia & Africa, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, Oman, Kuwait)(1)	Gas-fired power plants and seawater desalination facilities		-	-	1,326	1,346	174	176	29	24	205	143
Movhera	Hydro power plants	1,702 MW	40.00	40.00	549	556	23	31	(5)	11	26	8
Energia Sustentável do Brasil (Brazil)	Hydro power plants	3,675 MW	40.00	40.00	584	596	17	10	-	-	-	-
GASAG (Germany)	Gas and heat networks		31.57	31.58	289	255	18	26	33	(36)	17	15
Eolia Renovables	Wind power plant	963 MW	40.00	40.00	358	343	8	14	7	(3)	-	28
Other investments in associates that are not material taken individually					938	1,163	89	227	26	15	131	122
INVESTMENTS IN ASSOCIATES					**4,043**	**4,259**	**329**	**486**	**91**	**11**	**378**	**316**

(1) *Investments in associates operating gas-fired power plants and seawater desalination facilities in the Arabian Peninsula have been grouped together under “Project management entities in the Middle East”. This mainly includes around 40 associates operating thermal power plants with a total installed capacity of 26,386 MW (at 100%).*
These associates have fairly similar business models and joint arrangements: the project management entities selected as a result of a competitive bidding process develop, build and operate power generation plants and seawater desalination facilities. The entire output of these facilities is sold to government-owned companies under power and water purchase agreements, over periods generally spanning 20 to 30 years.
In accordance with their contractual arrangements, the corresponding plants are recognized in accordance with IFRIC 12, IFRS 16 or IAS 16 as property, plant and equipment or as financial receivables. The shareholding structure of these entities systematically includes a government-owned company based in the same country as the project management entity. The Group’s percentage interest and percentage voting rights in each of these entities varies between 20% and 50%.

The share in net income/(loss) of associates includes a net non-recurring expense of €89 million in 2024 (compared to net non-recurring income of €18 million in 2023), mainly including an impairment on thermal generation assets in Italy (see Note 5.3 “Net recurring income Group share (NriGs)”).

3.1.2 Financial information regarding material associates

The tables below provide condensed financial information for the Group's main associates. The amounts shown have been determined in accordance with IFRS, before the elimination of intragroup transactions and after (i) adjustments made in line with Group accounting policies and (ii) fair value measurements of the assets and liabilities of the associate performed at the acquisition date at the level of ENGIE, as required by IAS 28. All amounts are presented based on a 100% interest with the exception of “Total equity attributable to ENGIE”.

In millions of euros	Revenues	Net income/ (loss)	Other compre-hensive income	Total compre-hensive income/ (loss)	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Total equity	Consolidation % of Group	Total equity attributable to ENGIE
AT DECEMBER 31, 2024											
Project management entities in the Middle East	4,686	703	150	852	2,985	18,254	3,302	12,569	5,361	-	1,326
Energia Sustentável do Brasil	610	44	-	44	201	2,842	1,590	(7)	1,460	40.00	584
Movhera	402	58	(11)	46	212	2,015	93	763	1,372	40.00	549
GASAG	1,632	56	105	161	1,294	1,920	2,218	240	918	31.57	289
Eolia Renovables	128	20	17	37	119	2,130	195	1,147	894	40.00	358
AT DECEMBER 31, 2023											
Project management entities in the Middle East	4,886	714	88	802	2,635	18,229	2,856	12,785	5,223	-	1,346
Energia Sustentável do Brasil	625	24	-	24	286	3,276	2,077	(5)	1,489	40.00	596
Movhera	434	78	28	106	249	2,055	85	829	1,390	40.00	556
GASAG	2,283	84	(112)	(28)	1,640	2,058	2,643	247	809	31.57	255
Eolia Renovables	177	36	(7)	29	138	2,165	226	1,219	858	40.00	343

3.1.3 Transactions between the Group and its associates

The data below set out the impact of transactions with associates on the Group's 2024 consolidated financial statements.

In millions of euros	Purchases of goods and services	Sales of goods and services	Net financial income (excluding dividends)	Trade and other receivables	Loans and receivables at amortized cost	Trade and other payables	Borrowings and debt
Project management entities in the Middle East	-	223	7	59	149	-	-
Contassur(1)	-	-	-	260	2	-	-
Energia Sustentável do Brasil	127	-	-	-	-	12	-
Movhera	-	56	10	27	95	-	-
Other	95	60	11	49	109	17	4
AT DECEMBER 31, 2024	**221**	**338**	**28**	**396**	**356**	**29**	**4**

(1) Contassur is a life insurance company accounted for using the equity method. Contassur offers insurance contracts, chiefly with pension funds that cover post-employment benefit obligations for Group employees and also employees of other companies mainly engaged in regulated activities in the electricity and gas sector in Belgium. Insurance contracts entered into by Contassur represent reimbursement rights recorded within “Other assets” in the statement of financial position. These reimbursement rights totaled €260 million at December 31, 2024 (€242 million at December 31, 2023).

3.2 Investments in joint ventures

3.2.1 Contribution of joint ventures to the Group

The table below shows the contribution of each material joint venture along with the aggregate contribution of joint ventures deemed not material taken individually to the consolidated statement of financial position, income statement, statement of comprehensive income, and the "Dividends received from equity method entities" line of the statement of cash flows.

The Group used qualitative and quantitative criteria to determine material joint ventures. These criteria include the contribution to the line items "Share in net income/(loss) of joint ventures" and "Investments in joint ventures", the Group's share in the total assets of joint ventures, and joint ventures conducting major projects in the study or construction phase for which the related investment commitments are material.

In millions of euros			Consolidation percentage of investments in joint ventures		Carrying amount of investments in joint ventures		Share in net income/(loss) of joint ventures		Other comprehensive income		Dividends received from joint ventures	
Company name	**Activity**	**Capacity**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**	**Dec. 31, 2024**	**Dec. 31, 2023**
Transportadora Associada de Gás S.A. (TAG) (Brazil)(1)	Gas transmission network		50.00	65.00	582	1,059	343	368	(119)	29	417	387
National Central Cooling Company "Tabreed" (Middle-East, Asia & Africa, Abu Dhabi)	District cooling networks		40.00	40.00	925	872	56	34	(21)	35	44	39
EcoÉlectrica (Puerto Rico)	Combined-cycle gas-fired power plant and LNG terminal	534 MW	50.00	50.00	306	293	55	52	-	-	63	61
Portfolio of power generation assets (Portugal)(2)	Electricity generation	864 MW	-	50.00	34	218	23	34	(16)	(2)	6	40
WSW Energie und Wasser AG (Germany)	Electricity distribution and generation		33.10	33.10	217	197	36	(33)	-	-	17	19
Iowa University partnership (United States)	Energy services		39.10	39.10	236	222	6	6	(1)	(1)	5	4
Ocean Winds(3)	Electricity generation	1,465 MW	50.00	50.00	187	415	(138)	6	(107)	(47)	-	-
Georgetown University partnership (United States)	Energy services		50.00	50.00	176	200	6	7	-	-	-	-
Ohio State Energy Partners (United States)	Energy services		50.00	50.00	22	50	(17)	(25)	2	9	16	17
Megal GmbH (Germany)	Gas transmission network		49.00	49.00	52	55	2	-	-	-	4	6
Transmisora Eléctrica del Norte (Chile)(4)	Electricity transmission line		50.00	50.00	134	114	5	3	-	(3)	-	-
Energia Mayakan (Mexique)(5)	Gas transmission network		50.00	-	355	-	12	-	-	-	4	-
Other investments in joint ventures that are not material taken individually					1,103	1,260	134	128	(4)	5	143	142
INVESTMENTS IN JOINT VENTURES					**4,330**	**4,954**	**522**	**580**	**(266)**	**26**	**719**	**715**

(1) The Group's interest in Transportadora Associada de Gás S.A. (TAG) is 44.52%.
(2) At the end of 2024, ENGIE, together with Marubeni, finalized a transaction to share the portfolio of production assets in Portugal, previously held by the joint venture TrustEnergy.
(3) Net income/(loss) for the period includes an impairment loss recorded on US offshore projects (see Note 13.4).
(4) The Group's interest in Transmisora Eléctrica del Norte is 30%.
(5) In December 2024, the Group finalized the partial sale of its stake in Mayakan, reducing it to 50% at December 31, 2024 (see Note 4.1.2).

The share in net income/(loss) of joint ventures includes a non-recurring loss of €123 million in 2024 (non-recurring loss of €39 million in 2023), resulting chiefly from changes in the fair value of derivatives, impairment losses and disposal gains and losses, net of tax (see Note 5.3 "Net recurring income Group share (NriGs)").

3.2.2 Financial information regarding material joint ventures

The amounts shown have been determined in accordance with IFRS before the elimination of intragroup items and after (i) adjustments made in line with Group accounting policies and (ii) fair value measurements of the assets and liabilities of the joint venture performed at the date of acquisition at the level of ENGIE, as required by IAS 28. All amounts are presented based on a 100% interest with the exception of "Total equity attributable to ENGIE" in the statement of financial position.

3.2.2.1 Information on the income statement and statement of comprehensive income

In millions of euros	Revenues	Depreciation and amortization of intangible assets and property, plant and equipment	Net financial income/ (loss)	Income tax benefit/ (expense)	Net income/ (loss)	Other comprehensive income	Total comprehensive income/(loss)
AT DECEMBER 31, 2024							
Transportadora Associada de Gás S.A. (TAG)	1,554	(189)	(303)	(166)	686	(292)	394
National Central Cooling Company "Tabreed"	-	(8)	(2)	(13)	139	(52)	87
EcoÉlectrica	-	-	1	(1)	57	-	57
Portfolio of power generation assets in Portugal	175	(27)	(13)	(16)	56	(14)	42
WSW Energie und Wasser AG	1,064	(12)	-	(59)	106	1	107
Iowa University partnership	-	-	-	-	6	(1)	5
Ocean Winds	87	(20)	(71)	-	(289)	(214)	(503)
Georgetown University partnership	-	-	-	-	6	-	5
Ohio State Energy Partners	-	-	1	-	(16)	2	(14)
Megal GmbH	123	(66)	(3)	1	3	-	3
Transmisora Eléctrica del Norte	72	-	(29)	(5)	12	13	25
Energia Mayakan	60	(10)	(3)	(6)	24	1	25
AT DECEMBER 31, 2023							
Transportadora Associada de Gás S.A. (TAG)	1,672	(234)	(308)	(295)	566	45	610
National Central Cooling Company "Tabreed"	-	(8)	(5)	39	84	89	173
EcoÉlectrica	185	(31)	2	(6)	104	-	104
Portfolio of power generation assets in Portugal	456	(48)	(19)	(28)	97	(7)	90
WSW Energie und Wasser AG	2,338	(19)	(4)	8	(118)	-	(118)
Iowa University partnership	89	-	(21)	-	15	5	20
Ocean Winds	39	(7)	124	(5)	13	(94)	(81)
Georgetown University partnership	81	(2)	(21)	(1)	13	5	18
Ohio State Energy Partners	188	(1)	(66)	-	(50)	15	(35)
Megal GmbH	122	(70)	(4)	2	-	-	-
Transmisora Eléctrica del Norte	71	-	(32)	(5)	9	(4)	4

3.2.2.2 Information on the statement of financial position

In millions of euros	Cash and cash equivalents	Other current assets	Non-current assets	Short-term borrowings	Other current liabilities	Long-term borrowings	Other non-current liabilities	Total equity	Conso-lidation % of Group	Total equity attributable to ENGIE
AT DECEMBER 31, 2024										
Transportadora Associada de Gás S.A. (TAG)	360	370	4,531	533	151	2,555	1,419	1,165	50.00	582
National Central Cooling Company "Tabreed"	430	288	3,378	14	329	1,633	99	2,481	40.00	925
EcoÉlectrica	4	94	557	7	18	-	17	613	50.00	306
Portfolio of power generation assets in Portugal	35	139	274	58	52	262	7	69	50.00	34
WSW Energie und Wasser AG	206	327	510	90	405	97	146	634	33.10	217
Iowa University partnership	7	14	1,254	8	10	652	-	605	39.10	236
Ocean Winds	359	95	5,144	3,264	456	900	386	596	50.00	187
Georgetown University partnership	3	19	1,080	22	18	711	-	351	50.00	176
Ohio State Energy Partners	-	74	1,567	47	48	1,479	22	45	50.00	22
Megal GmbH	13	6	607	50	14	396	59	107	49.00	52
Transmisora Eléctrica del Norte	77	26	757	38	5	549	-	268	50.00	134
Energia Mayakan	144	104	1,351	2	169	587	132	709	50.00	355
AT DECEMBER 31, 2023										
Transportadora Associada de Gás S.A. (TAG)	269	479	6,119	569	299	2,672	1,699	1,629	65.00	1,059
National Central Cooling Company "Tabreed"	450	254	3,713	-	233	1,737	94	2,352	40.00	872
EcoÉlectrica	4	76	543	3	17	-	17	587	50.00	293
Portfolio of power generation assets in Portugal	285	403	550	101	236	372	51	479	50.00	218
WSW Energie und Wasser AG	68	422	878	211	277	222	96	562	33.10	197
Iowa University partnership	1	17	1,146	4	7	586	-	568	39.10	222
Ocean Winds	313	-	3,786	1,670	514	773	314	830	50.00	415
Georgetown University partnership	-	6	964	-	-	569	2	399	50.00	200
Ohio State Energy Partners	12	71	1,452	-	64	1,353	19	99	50.00	50
Megal GmbH	48	15	644	170	39	341	46	112	49.00	55
Transmisora Eléctrica del Norte	75	12	625	36	7	585	-	83	50.00	42

3.2.3 Transactions between the Group and its joint ventures

The data below set out the impact of transactions with joint ventures on the Group's 2024 consolidated financial statements.

In millions of euros	Purchases of goods and services	Sales of goods and services	Net financial income (excluding dividends)	Trade and other receivables	Loans and receivables at amortized cost	Trade and other payables	Borrowings and debt
EcoÉlectrica	-	-	-	-	-	-	-
WSW Energie und Wasser AG	-	14	-	4	-	-	-
Megal GmbH	66	-	-	-	-	-	-
Futures Energies Investissements Holding	66	29	10	6	152	10	-
Ocean Winds	-	-	17	1	515	-	-
Other	51	136	17	28	92	5	1
AT DECEMBER 31, 2024	**184**	**179**	**44**	**39**	**759**	**15**	**1**

3.3 Other information on equity method investments

3.3.1 Unrecognized share of losses of associates and joint ventures

Cumulative unrecognized losses of associates (corresponding to the cumulative amount of losses exceeding the carrying amount of investments in the associates concerned) including other comprehensive income/(loss), amounted to -€1 million in 2024 (versus €37 million in 2023).

3.3.2 Commitments and guarantees given by the Group in respect of equity method entities

At December 31, 2024, the main commitments and guarantees given by the Group in respect of equity method entities concern:

- Energia Sustentável do Brasil ("Jirau"), for an aggregate amount of BRL 3,782 million (€649 million). On December 31, 2024, the loans granted by Banco Nacional de Desenvolvimento Econômico e Social, the Brazilian Development Bank, to Energia Sustentável do Brasil amounted to BRL 9,455 million (€1,622 million). Each partner stands as guarantor for this debt to the extent of its ownership interest in the consortium.
- TAG, mainly for bank guarantees for an amount of €97 million.
- the project management entities in the Middle East for an aggregate amount of €647 million. Commitments and guarantees given by the Group in respect of these project management entities chiefly correspond to:
  - performance bonds and other guarantees for an amount of €200 million,
  - letters of credit to guarantee debt service reserve accounts for an aggregate amount of €167 million. The project financing set up in certain entities can require those entities to maintain a certain level of cash within the company (usually enough to service its debt for six months). This is particularly the case when the financing is without recourse. However, this level of cash may be replaced by letters of credit,
  - collateral given to lenders in the form of pledged shares in the project management entities, for an aggregate amount of €287 million,
- Ocean Winds for an amount of €1,566 million mainly corresponding to equity contribution commitments for projects under construction for an amount of €1,179 million.

NOTE 4 MAIN CHANGES IN GROUP STRUCTURE

ACCOUNTING STANDARDS

In accordance with IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations, assets or groups of assets held for sale are presented separately on the face of the statement of financial position and are measured and accounted for at the lower of their carrying amount and fair value less costs to sell.

An asset is classified as “held for sale” when its sale is highly probable within twelve months from the date of classification, when it is available for immediate sale under its present condition and when management is committed to a plan to sell the asset and an active program to locate a buyer and complete the plan has been initiated. To assess whether a sale is highly probable, the Group takes into consideration among other things indications of interest and offers received from potential buyers as well as specific execution risks attached to certain transactions.

If an asset classified as “held for sale” no longer meets the above conditions it will be reclassified in accordance with the standard.

Furthermore, assets or groups of assets are presented as discontinued operations in the Group's consolidated financial statements when they are classified as “held for sale” and represent a separate major line of business under IFRS 5.

4.1 Disposals completed in 2024

The table below shows the impact of the main disposals and sale agreements of 2024 on the Group's net debt, excluding partial disposals with respect to DBSO or DBOO[1] activities:

In millions of euros	Disposal price	Reduction in net debt
Disposal of a 15% stake in Transportadora de Gás S.A.	420	420
Disposal of a 50% stake in Energia Mayakan S. de R.L. de C.V.	193	206
Other disposals that are not material taken individually	236	321
Effects of classification as “assets classified as held for sale”	-	(65)
TOTAL	**849**	**882**

4.1.1 Disposal of a 15% stake in Transportadora Associada de Gás S.A. (“TAG”)

In January 2024, ENGIE finalized the sale of a 15% stake in TAG to Caisse de dépôt et placement du Québec (CDPQ) (current partner). Following this transaction, TAG is still accounted for using the equity method. The Group's interest now stands at 50%, and its net interest at 44.5%. This partial disposal reduced the Group's net financial debt by €0.4 billion and generated a net gain on disposal of €0.2 billion.

4.1.2 Disposal of a 50% stake in Energia Mayakan S. de R.L. de C.V. (“Mayakan”)

In December 2024, ENGIE finalized the sale of a 50% stake in Mayakan to Macquarie. As a result of this transaction, which involved ENGIE's purchase of the stake held by the non-controlling partner (EXI), the Group and Macquarie now own an equal shareholding in Mayakan. This disposal reduced the Group’s net financial debt by €0.2 billion. The positive €0.2 billion impact on the income statement was already recorded under “Changes in scope of consolidation” in the financial statements for the six months to June 30, 2024 as a remeasurement of the retained interest in the company, given the change in governance in the first half of 2024 (loss of control of Mayakan and application of the equity method).

(1) *Develop, Build, Share and Operate, or Develop, Build, Own and Operate: models used in renewable energies based on the continuous rotation of capital employed.*

4.1.3 Assets classified as held for sale

Total "Assets classified as held for sale" and total "Liabilities directly associated with assets classified as held for sale" amounted to €1,248 million and €560 million, respectively, at December 31, 2024.

In millions of euros	Dec. 31, 2024
Property, plant and equipment and intangible assets, net	1
Other assets	1,247
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE	**1,248**
Borrowings and debt, net	(65)
Other liabilities	625
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE	**560**

The following assets are classified as held for sale since a sale is highly likely to be completed within 12 months:

- **Touat** (E&P, Algeria) – agreement signed on December 20, 2024 with Thai group PTTEP and Italian energy company ENI (current shareholder). This transaction involves the sale of the Group's entire 46% equity interest in E&E Algeria Touat BV (the company which holds a 65% stake in the TouatGaz consortium, in partnership with Sonatrach, which operates the Touat gas field in Algeria). Due to the difference between the sale price and the equity-accounted value, an impairment loss of €0.2 billion was reversed in the December 31, 2024 financial statements. Once completed, this transaction is expected to decrease the Group's net financial debt by €0.4 billion;
- **Safi** (coal power plant, Morocco) – agreement signed on December 4, 2024 with Nareva (one of the current shareholders). This transaction involves the sale of part (15.66%) of the Group's equity-accounted stake in SAFIEC SA ("Safi"), which operates the Safi coal plant in Morocco. As the Group is not divesting all of its stake in Safi, only the stake sold is classified as held for sale. Due to the difference between the sale price and the value of the equity-accounted stake, an impairment loss of €0.1 billion was recognized in the December 31, 2024 financial statements. The transaction was completed on January 21, 2025. In light of the changes in governance effective since closing, from 2025 the Group's residual interest in Safi (17.67%) will be accounted for as an equity instrument under IFRS 9;
- **Uch** (gas power plants, Pakistan) – agreement signed on July 12, 2024 with Mindbridge & Sapphire. This transaction involves the complete sale of the Group's two subsidiaries, Uch Power Limited and Uch-II Power Limited. The entities own and operate gas-fired power plants in Pakistan. Due to the difference between the sale price and the book value of the assets, an impairment loss of €0.2 billion was recognized in the December 31, 2024 financial statements. Once completed, this transaction is expected to decrease the Group's net financial debt by €0.2 billion.
- **Gaztransport & Technigaz (GTT)** - lastly, ENGIE's residual stake in GTT was also recognized under "Assets classified as held for sale" in view of the forward sale (maturing in September 2025) signed in March 2024. This transaction secures ENGIE's complete exit from the company's share capital.

4.2 Acquisitions completed in 2024

In total, financial CAPEX in 2024 (mainly acquisitions, including financial investments in equity-accounted companies) had an impact of €1,415 million on net financial debt. The main transaction involved the acquisition of five photovoltaic complexes with a total installed capacity of 545 MW in Brazil from Atlas in March 2024. This investment is fully consolidated. This transaction had an impact of €0.6 billion on the Group's net financial debt.

NOTE 5 FINANCIAL INDICATORS USED IN FINANCIAL COMMUNICATION

The purpose of this note is to present the main non-GAAP financial indicators used by the Group as well as their reconciliation with the indicators of the IFRS consolidated financial statements.

5.1 EBITDA

The reconciliation between EBITDA and current operating income including operating MtM and share in net income of equity method entities is as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Current operating income including operating MtM and share in net income of equity method entities	**9,820**	**12,493**
Mark-to-market on commodity contracts other than trading instruments	309	(2,430)
Net depreciation and amortization/Other	5,129	4,886
Share-based payments (IFRS 2)	97	47
Non-recurring share in net income of equity method entities	212	22
EBITDA	**15,566**	**15,017**
Nuclear	2,174	1,285
EBITDA EXCLUDING NUCLEAR	**13,393**	**13,732**

5.2 EBIT

The reconciliation between EBIT and current operating income including operating MtM and share in net income of equity method entities is as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Current operating income including operating MtM and share in net income of equity method entities	**9,820**	**12,493**
Mark-to-market on commodity contracts other than trading instruments	309	(2,430)
Non-recurring share in net income of equity method entities	212	22
EBIT	**10,341**	**10,084**
Nuclear	1,448	605
EBIT EXCLUDING NUCLEAR	**8,893**	**9,479**

5.3 Net recurring income Group share (NriGs)

Net recurring income Group share is a financial indicator used by the Group in its financial reporting to present net income Group share adjusted for unusual, abnormal or non-recurring items.

The reconciliation of net income/(loss) with net recurring income Group share is as follows:

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
NET INCOME/(LOSS) GROUP SHARE		**4,106**	**2,208**
Net income attributable to non-controlling interests		867	695
Net income/(loss)		**4,973**	**2,903**
Reconciliation items between "Current operating income including operating MtM and share in net income of equity method entities" and "Net income/(loss) from operating activities"		**790**	**6,395**
Impairment losses	*9.1*	*709*	*1,318*
Restructuring costs	*9.2*	*369*	*47*
Changes in scope of consolidation	*9.3*	*(439)*	*85*
Other non-recurring items	*9.4*	*151*	*4,945*

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
Other adjusted items		**636**	**(3,092)**
Mark-to-market on commodity contracts other than trading instruments	*8*	*309*	*(2,430)*
Ineffective portion of derivatives qualified as fair value hedges	*10*	*(16)*	*-*
Gains/(losses) on debt restructuring and early unwinding of derivative financial instruments	*10*	*-*	*(8)*
Change in fair value of derivatives not qualified as hedges and ineffective portion of derivatives qualified as cash flow hedges	*10*	*49*	*13*
Non-recurring income/(loss) from debt instruments and equity instruments	*10*	*(98)*	*183*
Other adjusted tax impacts		*181*	*(872)*
Non-recurring income/(loss) included in share in net income of equity method entities		*212*	*22*
Net recurring income/(loss)		**6,399**	**6,206**
Net recurring income/(loss) attributable to non-controlling interests		867	839
NET RECURRING INCOME/(LOSS) GROUP SHARE		**5,531**	**5,366**

5.4 Industrial capital employed

The reconciliation of industrial capital employed with items in the statement of financial position is as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
(+) Property, plant and equipment and intangible assets, net	72,352	66,399
(+) Goodwill	13,291	12,864
(-) Goodwill Gaz de France – SUEZ and International Power(1)	*(7,188)*	*(7,229)*
(+) IFRS 16 and IFRIC 12 receivables	2,861	3,348
(+) Investments in equity method entities	8,373	9,213
(-) Goodwill arising on the International Power combination(1)	*-*	*(39)*
(+) Financial assets covering nuclear provisions	12,896	9,984
(+) Initial Margins	2,077	1,276
(+) Trade and other receivables, net	16,173	20,092
(-) Margin calls(1)(2)	*(3,697)*	*(3,207)*
(+) Inventories	5,061	5,343
(+) Assets from contracts with customers	9,232	9,531
(+) Other current and non-current assets	13,304	14,414
(+) Deferred tax	(5,028)	(3,658)
(+) Cancellation of deferred tax on other recyclable items(1)(2)	*(35)*	*(745)*
(-) Provisions	(33,621)	(32,593)
(+) Actuarial gains and losses in shareholders' equity (net of deferred tax)(1)	*1,170*	*1,500*
(-) Trade and other payables	(19,153)	(22,976)
(+) Margin calls(1)(2)	*1,877*	*3,269*
(-) Liabilities from contracts with customers	(3,971)	(4,053)
(-) Other current and non-current liabilities	(19,260)	(21,777)
INDUSTRIAL CAPITAL EMPLOYED	**66,714**	**60,957**

(1) For the purpose of calculating industrial capital employed, the amounts recorded in respect of these items have been adjusted from those appearing in the statement of financial position.
(2) Margin calls included in "Trade and other receivables, net" and "Trade and other payables" correspond to advances received or paid as part of collateralization agreements set up by the Group to manage counterparty risk on commodity transactions.

5.5 Cash flow from operations (CFFO)

The reconciliation of cash flow from operations (CFFO) with items in the statement of cash flows is as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Cash generated from operations before income tax and working capital requirements	14,401	14,407
Tax paid	(1,030)	(1,687)
Change in working capital requirements	(227)	397
Interest received on financial assets	475	118
Dividends received on equity investments	(12)	9
Interest paid	(1,732)	(1,058)
Interest received on cash and cash equivalents	750	569
Nuclear – expenditure on power plant dismantling and reprocessing, fuel storage	435	321
Change in financial assets held for investment and financing purposes	(475)	15
(+) Change in financial assets held for investment or financing purposes recorded in the statement of financial position and other	*475*	*(15)*
CASH FLOW FROM OPERATIONS (CFFO)	**13,060**	**13,075**

5.6 Capital expenditure (CAPEX) and growth CAPEX

The reconciliation of capital expenditure (CAPEX) with items in the statement of cash flows is as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Acquisitions of property, plant and equipment and intangible assets	9,385	7,328
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	670	1,392
(+) Cash and cash equivalents acquired	*184*	*204*
Acquisitions of investments in equity method entities and joint operations	66	237
Acquisitions of equity and debt instruments	(1,693)	1,675
Change in loans and receivables originated by the Group and other	4,289	1,585
(+) Other	*(4)*	-
Change in ownership interests in controlled entities	(743)	-
Disposal impacts relating to DBSO[(1)] activities	-	(62)
(-) Financial investments Synatom / Disposal of financial assets Synatom	(2,495)	(3,082)
(+) Change in scope – Acquisitions	311	1,338
TOTAL CAPITAL EXPENDITURE (CAPEX)	**9,970**	**10,614**
(-) Maintenance CAPEX	(2,678)	(2,524)
TOTAL GROWTH CAPEX	**7,292**	**8,091**

(1) Develop, Build, Share & Operate; including Tax equity financing received.

5.7 Net financial debt

The reconciliation of net financial debt with items in the statement of financial position is as follows:

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
(+) Long-term borrowings	14.2 & 14.3	42,880	37,920
(+) Short-term borrowings	14.2 & 14.3	9,127	9,367
(+) Derivative instruments – carried in liabilities	14.4	13,646	24,561
(-) Derivative instruments hedging commodities and other items		*(13,083)*	*(23,973)*
(-) Other financial assets	14.1	(19,681)	(16,987)
(+) Loans and receivables at amortized cost not included in net financial debt		*14,022*	*8,891*
(+) Equity instruments at fair value		*1,129*	*2,124*
(+) Debt instruments at fair value not included in net financial debt		*2,655*	*4,558*
(-) Cash and cash equivalents	14.1	(16,928)	(16,578)
(-) Derivative instruments – carried in assets	14.4	(13,055)	(21,245)
(+) Derivative instruments hedging commodities and other items		*12,510*	*20,854*
NET FINANCIAL DEBT		**33,223**	**29,493**

5.8 Economic net debt

Economic net debt is as follows:

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
NET FINANCIAL DEBT	**14.3**	**33,223**	**29,493**
Provisions for back-end of the nuclear fuel cycle and dismantling of nuclear facilities	17	24,531	23,887
Other nuclear liabilities	17	822	816
Provisions for dismantling of non-nuclear facilities	17	1,569	1,384
Post-employment benefits – Pensions	18	827	957
(-) Infrastructures regulated companies		*239*	*253*
Post-employment benefits – Reimbursement rights	18	(260)	(242)
Post-employment benefits – Other benefits	18	3,765	3,962
(-) Infrastructures regulated companies		*(2,460)*	*(2,578)*
Deferred tax assets for pensions and related obligations	11	(918)	(1,013)
(-) Infrastructures regulated companies		*513*	*541*
Plan assets relating to nuclear provisions, inventories of uranium and receivables of Electrabel towards EDF	17 & 22	(13,978)	(10,944)
ECONOMIC NET DEBT		**47,874**	**46,517**

NOTE 6 SEGMENT INFORMATION

6.1 Operating segments and reportable segments

Until January 31, 2025, ENGIE is organized around:

- four Global Business Units (GBU) representing the Group's four strategic activities: Renewables GBU, Networks GBU, Energy Solutions GBU, and FlexGen & Retail GBU;
- two operating entities: Nuclear and Global Energy Management & Sales ("GEMS");
- and "Other", mainly comprising Corporate functions, Tractebel since the change in managerial responsibility on May 1, 2024, and certain holding companies.

The reportable segments are identical to the operating segments and correspond to the activities of the GBU.

- **Renewables:** comprises all centralized renewable energy generation activities, including financing, construction, operation and maintenance of renewable energy facilities, using various energy sources such as hydroelectric, onshore wind, photovoltaic solar, offshore wind, and battery storage combined with a renewable asset. The energy produced is fed into the grid and sold either on the open or regulated market or to third parties through electricity sale agreements.
- **Networks:** comprises the Group's electricity and gas infrastructure activities and projects. These activities include the management and development of (i) gas and electricity transportation networks and natural gas distribution networks in and outside of Europe, (ii) underground natural gas storage in Europe, and (iii) regasification infrastructure in France and Chile. Apart from the historical infrastructure management activities, its asset portfolio also contributes to energy decarbonization and network greening (gradual integration of green gas, hydrogen-based projects, etc.).
- **Energy Solutions:** encompasses the construction and management of decentralized energy networks to produce energy (heating and cooling networks, distributed power generation plants, distributed solar power parks, low-carbon mobility, low-carbon cities and public lighting, etc.) and related services (energy efficiency, technical maintenance, sustainable development consulting).
- **FlexGen:** includes activities to compensate for the intermittent nature of renewable energy by providing upstream flexibility (flexible thermal generation and electricity, pumping or battery storage) and downstream flexibility (shaving or shifting consumption for BtoC customers). They also provide solutions to decarbonize the industry with low-carbon hydrogen. It also includes the financing, construction and operation of desalination plants, whether or not connected to power plants.
- **Retail:** encompasses all the Group's activities relating to the sale of gas and electricity to end customers, whether professional or individual. It also includes all the Group's activities in services for residential clients.
- **Nuclear:** encompasses all of the Group's nuclear activities, with seven reactors in Belgium (four in Doel and three in Tihange) among which five in operation and drawing rights in France.
- **Others:** encompasses the activities of GEMS as well as Corporate, Tractebel and holding companies. The GEMS operating entity is responsible, at the global level, for the supply of energy and the management of risk and optimization of assets on the markets. It sells energy to companies and offers energy management services and solutions to support the decarbonization of the Group and its customers.

The Group's organization has changed with effect from February 1, 2025 (see Note 24 "Subsequent events"), with no impact on the segment information presented at December 31, 2024.

6.2 Key indicators by reportable segment

REVENUES

	Dec. 31, 2024			Dec. 31, 2023[1]		
In millions of euros	External revenues	Intra-Group Revenues	Total	External revenues	Intra-Group Revenues	Total
Renewables	5,467	170	5,637	5,512	172	5,684
Networks	7,231	1,045	8,276	6,873	1,032	7,905
Energy Solutions	9,853	280	10,133	10,405	357	10,762
FlexGen	4,937	1,390	6,327	5,264	2,508	7,772
Retail	14,070	406	14,476	16,443	367	16,810
Nuclear	68	3,664	3,732	118	2,325	2,444
Others	32,187	4,195	36,382	37,949	6,832	44,781
Of which GEMS	*31,377*	*4,131*	*35,507*	*37,221*	*6,776*	*43,997*
Elimination of internal transactions	-	(11,151)	(11,151)	-	(13,593)	(13,593)
TOTAL REVENUES	**73,812**	-	**73,812**	**82,565**	-	**82,565**

(1) *Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.*

EBITDA

In millions of euros	Dec. 31, 2024	Dec. 31, 2023[1]
Renewables	3,001	2,665
Networks	4,362	4,151
Energy Solutions	842	831
FlexGen	1,878	1,929
Retail	938	821
Others	2,372	3,335
Of which GEMS	*2,663*	*3,829*
TOTAL EBITDA EXCLUDING NUCLEAR	**13,393**	**13,732**
Nuclear	2,174	1,285
TOTAL EBITDA	**15,566**	**15,017**

(1) *Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.*

EBIT

In millions of euros	Dec. 31, 2024	Dec. 31, 2023[1]
Renewables	2,198	2,005
Networks	2,460	2,265
Energy Solutions	356	367
FlexGen	1,467	1,513
Retail	695	569
Others	1,718	2,761
Of which GEMS	*2,382*	*3,551*
TOTAL EBIT EXCLUDING NUCLEAR	**8,893**	**9,479**
Nuclear	1,448	605
TOTAL EBIT	**10,341**	**10,084**

(1) *Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.*

SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Renewables	(4)	203
Networks	411	446
Energy Solutions	100	22
FlexGen	286	355
Retail	-	-
Nuclear	-	-
Others	57	40
Of which GEMS	*10*	*32*
TOTAL SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES	**850**	**1,066**

Associates and joint ventures accounted for €329 million and €522 million respectively of share in net income of equity method entities at December 31, 2024 (compared to €486 million and €580 million at December 31, 2023).

INDUSTRIAL CAPITAL EMPLOYED

In millions of euros	Dec. 31, 2024	Dec. 31, 2023[(1)]
Renewables	24,258	20,001
Networks	24,908	25,198
Energy Solutions	7,986	7,428
FlexGen	9,662	9,289
Retail	(88)	390
Nuclear	(9,655)	(11,210)
Others	9,642	9,861
Of which GEMS	*6,631*	*6,596*
TOTAL INDUSTRIAL CAPITAL EMPLOYED	**66,714**	**60,957**

(1) Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.

CAPITAL EXPENDITURE (CAPEX)

In millions of euros	Dec. 31, 2024	Dec. 31, 2023[(1)]
Renewables	4,221	4,130
Networks	2,343	2,173
Energy Solutions	1,076	1,089
FlexGen	1,457	2,135
Retail	228	247
Nuclear	244	174
Others	402	665
Of which GEMS	*220*	*182*
TOTAL CAPITAL EXPENDITURE (CAPEX)	**9,970**	**10,614**

(1) Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.

GROWTH CAPEX

In millions of euros	Dec. 31, 2024	Dec. 31, 2023[(1)]
Renewables	4,012	3,966
Networks	935	839
Energy Solutions	895	895
FlexGen	1,191	1,843
Retail	152	160
Nuclear	78	19
Others	30	370
Of which GEMS	*89*	*82*
TOTAL GROWTH CAPEX	**7,292**	**8,091**

(1) Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.

6.3 Key indicators by geographic area

The amounts set out below are analyzed by:

- destination of products and services sold for revenues;
- geographic location of consolidated companies for industrial capital employed.

	Revenues		Industrial capital employed	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
France	32,623	36,676	33,438	32,802
Belgium	6,808	8,408	(6,953)	(9,259)
Other EU countries	15,868	18,303	8,624	9,713
Other European countries	4,966	4,480	2,163	1,991
North America	5,525	5,329	11,933	8,989
Asia, Middle East & Oceania	3,185	4,366	4,040	3,830
South America	4,458	4,715	11,801	11,212
Africa	379	289	1,668	1,679
TOTAL	**73,812**	**82,565**	**66,714**	**60,957**

Due to the variety of its businesses and their geographical location, the Group operates in a very diverse range of situations and for a variety of customer types (industry, local authorities and individual customers). Accordingly, no external customer represents individually 10% or more of the Group's consolidated revenues.

NOTE 7 REVENUES

7.1 Revenues

ACCOUNTING STANDARDS

Revenues from contracts with customers concern revenues from contracts that fall within the scope of IFRS 15 – *Revenue from Contracts with Customers*. Revenues are recognized when the customer obtains control of goods or services promised in the contract, for the amount of consideration to which an entity expects to be entitled in exchange for said promised goods or services.

A contractual analysis of the Group's sale contracts has led to the application of the following revenue recognition principles:

- **Gas, electricity and other energies**

Revenues from sales of gas, electricity and other energies are recognized upon delivery of the power to the retail, business or industrial customer.

Power deliveries are monitored in real time or on a deferred basis for those customers whose energy consumption is metered during the accounting period, in which case the portion of not yet metered revenues "in the meter" is estimated on the closing date.

- **Gas, electrical and other energy infrastructures**

Revenues derived by gas and electricity infrastructure operators upon providing transportation or distribution or storage capacities, are recognized on a straight-line basis over the contract term.

In the countries where the Group acts as an energy provider (supplier) without being in charge of its distribution or transportation, mainly in France and Belgium, an analysis of the energy sales contracts and of the related regulatory framework is carried out to determine whether the distribution or transportation services invoiced to the customers have to be excluded from the revenues recognized under IFRS 15.

Judgment may be exercised by the Group for this analysis in order to determine whether the energy provider acts as an agent or a principal for the gas or electricity distribution or transportation services re-invoiced to the customers. The main criteria used by the Group to exercise its judgment and conclude, in certain countries, that the energy provider acts as an agent of the infrastructure operator are as follows: who is primarily responsible for fulfillment of the distribution or transportation services? Does the energy provider have the ability to commit to capacity reservation contracts towards the infrastructure operator? To what extent does the energy provider have discretion in establishing the price for the distribution or transportation services.

- **Constructions, installations, Operations and Maintenance (O&M)**

Construction and installation contracts mainly concern assets built on the premises of customers such as cogeneration units, heaters or other energy-efficiency assets. The related revenues are usually recognized according to the percentage of completion on the basis of the costs incurred where the contracts fall within the scope of IFRS 15.

O&M contracts generally require the Group to perform services ensuring the availability of power generating facilities. These services are performed over time and the related revenues are recognized according to the percentage of completion on the basis of the costs incurred.

If it is not possible to conclude from the contractual analysis that the contract falls within the scope of IFRS 15, the revenues are accounted for as non-IFRS 15 revenues.

Revenues from other contracts, corresponding to revenues from operations that do not fall within the scope of IFRS 15, presented in the "Others" column include trading, lease and concession income, as well as any financial component of operating services, and the effects of the tariff shield mechanisms.

The table below shows a breakdown of revenues by type:

In millions of euros	Sales of gas	Sales of electricity and other energies	Sales of services linked to infrastructures	Constructions, installations, and O&M	Others	Dec. 31, 2024
Renewables	-	4,913	79	216	259	5,467
Networks	129	19	6,451	447	185	7,231
Energy Solutions	264	3,516	94	5,886	92	9,853
FlexGen	365	3,574	346	454	198	4,937
Retail	6,518	5,999	68	921	565	14,070
Nuclear	-	12	10	28	18	68
Others	11,436	17,424	311	839	2,177	32,187
Of which GEMS	*11,436*	*17,424*	*307*	*33*	*2,177*	*31,377*
TOTAL REVENUES	**18,712**	**35,455**	**7,359**	**8,792**	**3,494**	**73,812**

In millions of euros	Sales of gas	Sales of electricity and other energies	Sales of services linked to infrastructures	Constructions, installations, and O&M	Others	Dec. 31, 2023(1)
Renewables	-	5,010	106	261	135	5,512
Networks	138	5	6,068	434	228	6,873
Energy Solutions	268	4,163	88	5,807	80	10,405
FlexGen	92	4,332	274	400	166	5,264
Retail	7,631	6,229	82	1,003	1,497	16,443
Nuclear	-	4	7	28	79	118
Others	13,943	19,619	246	770	3,372	37,949
Of which GEMS	*13,943*	*19,619*	*241*	*46*	*3,372*	*37,221*
TOTAL REVENUES	**22,072**	**39,362**	**6,872**	**8,703**	**5,557**	**82,565**

(1) *Certain internal reclassifications, which have no impact on the total, have been made between the business lines at January 1, 2024. The internal reclassifications are not material and concern the transfer of Tractebel from Energy Solutions to Others. Comparative data at December 31, 2023 have been restated accordingly.*

7.2 Trade and other receivables, assets and liabilities from contracts with customers

ACCOUNTING STANDARDS

On initial recognition, trade and other receivables are recorded at their transaction price as defined in IFRS 15.

A contract asset is an entity's right to consideration in exchange for goods or services that have been transferred to a customer but for which payment is not yet due or is contingent on the satisfaction of a specific condition stipulated in the contract. When an amount becomes due, it is transferred to receivables.

A receivable is recorded when the entity has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has already received consideration from the customer. The liability is derecognized upon recognition of the corresponding revenue.

Trade and other receivables and assets from contracts with customers are tested for impairment in accordance with the provisions of IFRS 9 on expected credit losses.

The impairment model for financial assets is based on the expected credit loss model. To calculate expected losses, the Group uses a matrix for trade receivables and assets from contracts with customers, for which the change in credit risk is monitored on a portfolio basis. The change in credit risk of for large customers and other large counterparties is monitored on an individual basis.

See Note 15 "Risks arising from financial instruments" for the Group's assessment of counterparty risk.

7.2.1 Trade and other receivables, assets from contracts with customers

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Trade and other receivables, net	16,173	20,092
Of which IFRS 15	*6,880*	*8,083*
Of which non-IFRS 15(1)	*9,292*	*12,009*
Assets from contracts with customers	9,232	9,531
Accrued income and unbilled revenues	*6,874*	*6,989*
Energy in the meter(2)	*2,358*	*2,542*

(1) Most of which relate to commodity, financial or physical delivery contracts, accounted for as derivatives in accordance with IFRS 9.
(2) Net of advance payments.

In 2024, the most significant assets from contracts mainly concerned GEMS (€3,678 million), Energy Solutions (€2,277 million) and Retail (€1,811 million).

	Dec. 31, 2024			Dec. 31, 2023		
In millions of euros	Gross	Allowances and expected credit losses	Net	Gross	Allowances and expected credit losses	Net
Trade and other receivables, net	18,487	(2,314)	16,173	22,160	(2,068)	20,092
Assets from contracts with customers	9,290	(58)	9,232	9,558	(27)	9,531
TOTAL	**27,777**	**(2,372)**	**25,405**	**31,718**	**(2,094)**	**29,623**

Gas and electricity in the meter

For customers whose energy consumption is metered during the accounting period, the gas supplied but not yet metered at the reporting date is estimated based on historical data, consumption statistics and estimated selling prices.

For sales on networks used by a large number of grid operators, the Group is allocated a certain volume of energy transiting through the networks by the grid managers. As the final consumptions are sometimes only known several months down the line, revenue figures cannot be determined with absolute certainty. However, the Group has developed measuring and modeling tools allowing it to estimate revenues with a reasonable degree of accuracy and subsequently ensure that risks of error associated with estimating quantities sold and the related revenues can be considered as immaterial.

In France and Belgium, un-metered revenues ("gas in the meter") are calculated using a direct method taking into account customers' estimated consumption since the last invoice or metering not yet billed. These estimates are in line with the volume of energy allocated by the grid managers over the same period. "Gas in the meter" is measured based on the contract price or average price depending on the delivery month and takes into account the category of customer and the age of the delivered unbilled "gas in the meter".

The portion of unbilled revenues at the reporting date varies according to the assumptions used regarding volume and average price.

"Electricity in the meter" is also determined using a direct allocation method similar to that used for gas, but taking into account specific factors related to electricity consumption. It is also measured on a customer-by-customer basis or by customer type.

Realized but not yet metered revenues ("un-metered revenues") mainly related to France and Belgium for an amount of €4,996 million at December 31, 2024 (€5,279 million at December 31, 2023).

7.2.2 Liabilities from contracts with customers

In millions of euros	Dec. 31, 2024			Dec. 31, 2023		
	Non-current	Current	Total	Non-current	Current	Total
Liabilities from contracts with customers	153	3,818	3,971	93	3,960	4,053
Advances and downpayments received	*50*	*2,995*	*3,045*	*23*	*2,998*	*3,020*
Deferred revenues	*103*	*822*	*926*	*71*	*963*	*1,033*

In 2024, the Global Business Units reporting the greatest amounts of liabilities from contracts with customers were Retail (€1,438 million) and Energy Solutions (€1,518 million).

7.3 Revenues relating to performance obligations not yet satisfied

Revenues relating to performance obligations only partially satisfied at December 31, 2024 amounted to €563 million (compared to €867 million at December 31, 2023). They mainly concern Energy Solutions for €325 million which handles a large number of construction, installation, and maintenance contracts under which revenues are recognized over time.

NOTE 8 OPERATING EXPENSES

ACCOUNTING STANDARDS

Operating expenses include:

- purchases and operating derivatives including:
  - the purchase of commodities and associated costs (infrastructure, transport, storage, etc.),
  - the realized impact, as well as the change in fair value (MtM), of commodity transactions, with or without physical delivery, that fall within the scope of IFRS 9 – *Financial Instruments* and that do not qualify as trading or hedging. These contracts are set up as part of economic hedges of operating transactions in the energy sector;
- purchases of services and other items such as subcontracting and interim expenses, lease expenses (short-term lease contracts, leases with a low underlying asset value or leases with variable expenses), concession expenses, etc.;
- personnel costs;
- depreciation, amortization, and provisions; and
- taxes.

8.1 Purchases and operating derivatives

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Purchases and other income and expenses on operating derivatives other than trading(1)	(42,048)	(49,650)
Service and other purchases(2)	(7,417)	(7,342)
PURCHASES AND OPERATING DERIVATIVES	**(49,465)**	**(56,992)**

(1) Of which a net expense of €309 million in 2024 relating to MtM on commodity contracts other than trading (compared to a net income of €2,430 million in 2023), notably on certain economic gas and electricity hedging positions not documented as cash flow hedges.
(2) Of which €72 million in 2024 in lease expenses not included in the IFRS 16 lease liability (compared to €75 million in lease expenses in 2023).

The decrease in purchases and operating derivatives is mainly due to changes to MtM positions on commodity contracts other than trading and the return to normal energy prices.

8.2 Personnel costs

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
Short-term benefits		(8,175)	(7,688)
Share-based payments	19	(97)	(47)
Costs related to defined benefit plans	18.3.4	(263)	(322)
Costs related to defined contribution plans	18.4	(88)	(92)
PERSONNEL COSTS		**(8,623)**	**(8,149)**

8.3 Depreciation, amortization and provisions

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
Depreciation and amortization	13	(5,129)	(4,886)
Net change in write-downs of inventories, trade receivables and other assets		(469)	(203)
Net change in provisions	17	50	178
DEPRECIATION, AMORTIZATION AND PROVISIONS		**(5,547)**	**(4,911)**

At December 31, 2024, depreciation and amortization mainly break down as €1,107 million for intangible assets and €4,021 million for property, plant and equipment.

8.4 Taxes

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
TAXES	**(2,391)**	**(2,627)**

Taxes at December 31, 2024 totaled €2,391 million, down €236 million on 2023. This decrease is mainly due to lower taxes and fees related to nuclear activity in Belgium, partially offset by higher French inframarginal taxes.

NOTE 9 OTHER ITEMS OF NET INCOME/(LOSS) FROM OPERATING ACTIVITIES

ACCOUNTING STANDARDS

Other items of Net income/(loss) from operating activities include:

- "Impairment losses": this line includes impairment losses on goodwill, other intangible assets, property, plant and equipment and investments in entities consolidated using the equity method;
- "Restructuring costs": this line concerns costs corresponding to a restructuring program planned and controlled by management that materially changes either the scope of a business undertaken by the entity, or the manner in which that business is conducted, based on the criteria set out in IAS 37;
- "Changes in scope of consolidation". This line includes:
  - direct costs related to acquisitions of controlling interests,
  - in a business combination achieved in stages, remeasurement at fair value at the acquisition date of the previously held interest,
  - subsequent changes in the fair value of contingent consideration,
  - gains or losses from disposals of investments which result in a change of consolidation method, as well as any impact from the remeasurement of retained interests with the exception of gains and losses arising from transactions realized in the framework of "Develop, Build, Share & Operate" (DBSO) or "Develop, Share, Build & Operate" (DSBO) business models. As they are part of the recurring rotation of the Group's capital employed, these transactions are recognized in current operating income subject to certain criteria being met (notably their recurrence).
- "Other non-recurring items": this line includes other elements of an unusual, abnormal or infrequent nature.

9.1 Impairment losses

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
IMPAIRMENT LOSSES			
Goodwill	13.1	(66)	(94)
Property, plant and equipment and intangible assets	13.2 & 13.3	(893)	(1,587)
Investments in equity method entities and related provisions		(124)	(72)
Total impairment losses		**(1,083)**	**(1,753)**
REVERSAL OF IMPAIRMENT LOSSES			
Property, plant and equipment and intangible assets		39	435
Investments in equity method entities and related provisions		334	-
Total reversals of impairment losses		**373**	**435**
TOTAL		**(709)**	**(1,318)**

9.1.1 Impairment losses recognized in 2024

Impairment losses recognized in 2024 amounted to €709 million and related in particular to disposals in progress or completed at December 31, 2024, representing €247 million:

- disposal of thermal power generation assets in Pakistan, not yet completed at December 31, 2024 (€205 million);
- disposal of part of the equity-accounted stake in Safi, Morocco, completed in January 2025 (€54 million);
- disposal of the entities holding solar supply solutions and pay-as-you-go mini-grid assets in Africa, not yet completed at December 31, 2024 (€225 million);
- disposal of the equity-accounted stake in E&E Algeria Touat BV in Algeria, not yet completed at December 31, 2024 (impairment reversal of €171 million);
- disposal of the equity-accounted stake in Senoko, Singapore, completed in the fourth quarter of 2024 (impairment reversal of €66 million).

Other impairment losses recognized in 2024 concerned:

- Energy Solutions assets in France (€108 million) and North America (€73 million);
- onshore renewable energy production assets in North America (€91 million) and hydro assets in Brazil (reversal of impairment recognized against an equity-accounted company for €80 million);
- EVBox assets (€96 million) following the decision to cease operations;
- other production or support assets for less significant amounts taken individually.

These impairment losses mainly concern intangible assets, property, plant and equipment and entities consolidated using the equity method. Considering the effects of deferred taxes and the portion of impairment losses attributable to non controlling interests, the impact of the impairment losses on net income Group share amounted to €644 million.

With the exception of the induced effects of decisions to dispose of non-strategic assets, no impairment losses were recognized on non-financial assets as a result of measures to prevent or mitigate climate risks or to achieve the 2045 net zero-carbon objective.

Impairment tests are carried out in accordance with the procedures described in Note 13.4.

9.1.2 Impairment losses recognized in 2023

Net impairment losses recognized in 2023 amounted to €1,318 million and related mainly to:

- renewable energy production assets in North America (€714 million);
- coal-fired generation assets in South America, for which the Group has decided to accelerate dismantling from end 2025, in line with the Group's decarbonization plan (€515 million);
- a reversal of impairment losses on dismantling assets for Belgian nuclear power plants in the amount of €400 million;
- other production or support assets for less significant amounts taken individually.

9.2 Restructuring costs

In 2024, restructuring costs totaled €369 million (versus €47 million in 2023), mainly including costs related to staff reduction plans and measures to adapt to the economic situation (notably in Energy Solutions for a total of €80 million), as well as costs related to the shutdown or sale of operations and the closure or restructuring of certain facilities. Restructuring costs notably include the consequences of the decision to cease EVBox activities (€134 million).

9.3 Changes in scope of consolidation

At December 31, 2024, the impact of changes in scope of consolidation was a positive €439 million and mainly comprised:

- income of €248 million on the partial disposal of a 15% stake in Transportadora Associada de Gás ("TAG") in Brazil, completed in January 2024 (see Note 4.1.1);
- income of €218 million on the partial disposal of a 50% stake in Mayakan in Mexico, completed in December 2024 (see Note 4.1.2). Most of this amount had already been recognized in the first half of 2024 in connection with the remeasurement of the Group's interest following the effective loss of control in the first half of 2024;
- a negative impact of €27 million relating to miscellaneous disposals that are not individually significant.

9.4 Other non-recurring items

Other non-recurring items amounted to €151 million in 2024.

Other non-recurring items amounted to a negative €4,945 million in 2023 and included the €4,750 million negative impact of the review of nuclear provisions to take account of agreements reached with the Belgian government on December 13, 2023 (see Note 17 "Provisions").

NOTE 10 NET FINANCIAL INCOME/(LOSS)

In millions of euros	Expense	Income	Dec. 31, 2024	Expense	Income	Dec. 31, 2023
Interest expense on gross debt and hedges	(2,107)	-	(2,107)	(1,708)	-	(1,708)
Cost of lease liabilities	(126)	-	(126)	(105)	-	(105)
Foreign exchange gains/losses on borrowings and hedges	(12)	-	(12)	(10)	-	(10)
Ineffective portion of derivatives qualified as fair value hedges	-	16	16	-	-	-
Gains and losses on cash and cash equivalents and liquid debt instruments held for cash investment purposes	-	803	803	-	596	596
Capitalized borrowing costs	308	-	308	268	-	268
Cost of net debt	**(1,936)**	**819**	**(1,117)**	**(1,557)**	**596**	**(961)**
Gains/(losses) on debt restructuring transactions	-	-	-	-	8	8
Gains/(losses) on debt restructuring and early unwinding of derivative financial instruments	**-**	**-**	**-**	**-**	**8**	**8**
Net interest expense on post-employment benefits and other long-term benefits	(157)	-	(157)	(161)	-	(161)
Unwinding of discounting adjustments to other long-term provisions	(885)	-	(885)	(772)	-	(772)
Change in fair value of derivatives not qualified as hedges and ineffective portion of derivatives qualified as cash flow hedges	(53)	-	(53)	(15)	-	(15)
Gains/(losses) from debt and equity instruments	(73)	120	47	(239)	-	(239)
Interest income on loans and receivables at amortized cost	-	306	306	-	106	106
Other	(740)	757	17	(596)	467	(130)
Other financial income and expenses	**(1,909)**	**1,184**	**(725)**	**(1,783)**	**573**	**(1,210)**
NET FINANCIAL INCOME/(LOSS)	**(3,845)**	**2,003**	**(1,842)**	**(3,340)**	**1,177**	**(2,163)**

In 2024, the average cost of debt after hedging came out at 4.6% compared to 4.3% at December 31, 2023.

Gains/(losses) from debt and equity instruments amounted to a net gain of €47 million and included, the gain on bonds and money market funds held by Synatom for €120 million.

NOTE 11 INCOME TAX EXPENSE

ACCOUNTING STANDARDS

The Group calculates taxes in accordance with prevailing tax legislation in the countries where income is taxable.

In accordance with IAS 12, deferred taxes are recognized according to the liability method on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax bases, using tax rates that have been enacted or substantively enacted by the reporting date. However, under the provisions of IAS 12, no deferred tax is recognized for temporary differences arising from goodwill for which impairment losses are not deductible for tax purposes, or from the initial recognition of an asset or liability in a transaction which (i) is not a business combination and (ii) at the time of the transaction, affects neither accounting income nor taxable income. In addition, deferred tax assets are only recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized.

A deferred tax liability is recognized for all taxable temporary differences associated with investments in subsidiaries, associates, joint ventures and branches, except if the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Net balances of deferred taxes are calculated based on the tax position of each company or on the total income of companies included within the relevant consolidated tax group, and are presented in assets or liabilities for their net amount per tax entity.

Deferred taxes are reviewed at each reporting date to take into account factors including the impact of changes in tax laws and the prospects of recovering deferred tax assets arising from deductible temporary differences.

Deferred tax assets and liabilities are not discounted.

Tax effects relating to coupon payments on deeply-subordinated perpetual notes are recognized in profit or loss.

11.1 Income tax expense recognized in the income statement

11.1.1 Breakdown of actual income tax expense recognized in the income statement

The income tax expense recognized in the income statement for 2024 amounted to €2,215 million (compared to a €1,031 million income tax expense in 2023). It breaks down as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Current income taxes	(1,679)	(833)
Deferred taxes	(536)	(198)
TOTAL INCOME TAX BENEFIT/(EXPENSE) RECOGNIZED IN INCOME	**(2,215)**	**(1,031)**

11.1.2 Reconciliation of theoretical income tax expense with actual income tax expense

A reconciliation of theoretical income tax expense with the Group's actual income tax expense is presented below:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Net income/(loss)	**4,973**	**2,903**
Share in net income of equity method entities	1,060	993
Income tax expense	(2,215)	(1,031)
Income/(loss) before income tax of consolidated companies (A)	**6,128**	**2,941**
Of which French companies	*654*	*1,532*
Of which companies outside France	*5,474*	*1,409*
Statutory income tax rate of the parent company (B)	25.8%	25.8%
Theoretical income tax benefit/(expense) (C) = (A) X (B)	**(1,582)**	**(759)**
RECONCILING ITEMS BETWEEN THEORETICAL AND ACTUAL INCOME TAX EXPENSE		
Difference between statutory tax rate applicable to the parent and statutory tax rate in force in jurisdictions in France and abroad	(15)	(14)
Permanent differences[1]	(57)	(120)
Income taxed at a reduced rate or tax-exempt[2]	(2)	(22)
Additional tax expense[3]	(75)	(60)
Effect of unrecognized deferred tax assets on tax loss carry-forwards and other tax-deductible temporary differences[4]	(577)	(430)
Recognition or utilization of tax income on previously unrecognized tax loss carry-forwards and other tax-deductible temporary differences[5]	62	93
Impact of changes in tax rates[6]	(4)	8
Tax credits and other tax reductions[7]	56	360
Other[8]	(21)	(86)
INCOME TAX BENEFIT/(EXPENSE) RECOGNIZED IN INCOME	**(2,215)**	**(1,031)**

(1) Mainly includes disallowable impairment losses on goodwill, operating expenses added back and the deduction of interest expenses arising from hybrid debt.
(2) Mainly includes capital gains on disposals of securities exempt from tax or taxed at a reduced rate in some tax jurisdictions, the impact of the specific tax regimes used by some entities, disallowable impairment losses and capital losses on securities, and the impact of untaxed income from remeasuring previously-held (or retained) equity interests in connection with acquisitions and changes in consolidation methods.
(3) Mainly includes tax on dividends resulting from the parent company tax regime, withholding tax on dividends and interest levied in several tax jurisdictions, allocations to provisions for income tax, and regional and flat-rate corporate taxes.
(4) Includes (i) the cancellation of the net deferred tax asset position for some tax entities in the absence of sufficient profit being forecast and (ii) the impact of disallowable impairment losses on fixed assets.
(5) Includes the impact of the recognition of net deferred tax asset positions for some tax entities.
(6) Mainly includes the impact of tax rate changes on deferred tax balances, notably in Luxembourg for 2024 and in the United Kingdom for 2023.
(7) Mainly includes, tax credits in the United States and in France and other tax reductions, and, in 2023, the reversals of provisions for tax litigation in Luxembourg.
(8) Mainly includes the correction of previous tax charges.

The implementation of the OECD Pillar 2 rules, establishing a minimum tax, led the Group to recognize an additional income tax expense of €4 million for 2024.

11.1.3 Analysis of the deferred tax income/(expense) recognized in the income statement, by type of temporary difference

	Impact in the income statement	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023
DEFERRED TAX ASSETS		
Tax loss carry-forwards	54	(103)
Pension and related obligations	37	(3)
Non-deductible provisions	(985)	976
Difference between the carrying amount of PP&E and intangible assets and their tax bases	(241)	(84)
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	1,073	(2,373)
Other	194	265
Total	**132**	**(1,322)**
DEFERRED TAX LIABILITIES		
Difference between the carrying amount of PP&E and intangible assets and their tax bases	455	61
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	(1,293)	1,326
Other	169	(263)
Total	**(668)**	**1,124**
DEFERRED TAX INCOME/(EXPENSE)	**(536)**	**(198)**
Of which continuing activities	*(536)*	*(198)*

11.2 Deferred tax income/(expense) recognized in "Other comprehensive income"

Net deferred tax income/(expense) recognized in "Other comprehensive income" is broken down by component as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Equity and debt instruments	-	(6)
Actuarial gains and losses	(74)	141
Net investment hedges	68	(41)
Cash flow hedges on other items	(862)	802
Cash flow hedges on net debt	32	4
Total excluding share of equity method entities and discontinued operations	**(837)**	**900**
Share of equity method entities	54	(28)
TOTAL	**(784)**	**872**

11.3 Deferred taxes presented in the statement of financial position

11.3.1 Change in deferred taxes

Changes in deferred taxes recognized in the statement of financial position, after netting deferred tax assets and liabilities by tax entity, break down as follows:

In millions of euros	Assets	Liabilities	Net position
AT DECEMBER 31, 2023	**1,974**	**(5,632)**	**(3,658)**
Impact on net income for the year	132	(668)	(536)
Impact on other comprehensive income items	370	(1,216)	(847)
Impact of changes in scope of consolidation	119	(136)	(18)
Impact of translation adjustments	3	35	38
Other	228	(234)	(7)
Impact of netting by tax entity	(1,978)	1,978	-
AT DECEMBER 31, 2024	**847**	**(5,875)**	**(5,028)**

11.3.2 Analysis of the net deferred tax position recognized in the statement of financial position (before netting deferred tax assets and liabilities by tax entity), by type of temporary difference

ACCOUNTING STANDARDS

Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. The probability that taxable profit will be available against which the unused tax losses can be utilized, is based on taxable temporary differences relating to the same taxation authority and the same taxable entity and estimates of future taxable profits. These estimates and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts over a six-year tax projection period as included in the medium-term business plan approved by Management, subject to exceptions justified by a particular context and, if necessary, on the basis of additional forecasts.

	Statement of financial position at	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023
DEFERRED TAX ASSETS		
Tax loss carry-forwards	2,217	2,121
Pension obligations	918	1,013
Non-deductible provisions	1,048	1,485
Difference between the carrying amount of PP&E and intangible assets and their tax bases	1,493	1,659
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	9,088	7,649
Other	639	626
Total	**15,403**	**14,553**
DEFERRED TAX LIABILITIES		
Difference between the carrying amount of PP&E and intangible assets and their tax bases	(9,802)	(9,893)
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	(9,853)	(7,419)
Other	(776)	(897)
Total	**(20,431)**	**(18,210)**
NET DEFERRED TAX ASSETS/(LIABILITIES)	**(5,027)**	**(3,658)**

In accordance with the amendment to IAS 12, no deferred tax is recognized in respect of the future implementation of the OECD Pillar 2 rules.

11.4 Unrecognized deferred taxes

At December 31, 2024, the tax effect of unused tax loss carry-forwards not recognized in the statement of financial position amounted to €4,660 million (€4,563 million at December 31, 2023). Most of these unrecognized tax losses relate to companies based in countries which allow losses to be carried forward indefinitely (mainly Belgium, the Netherlands, the United States and Australia). These tax losses carried forward did not give rise to the full or partial recognition of a deferred tax asset due to the absence of sufficient profit forecasts in the medium term.

The tax effect of other tax-deductible temporary differences not recorded in the statement of financial position was €1,783 million at end-December 2024 versus €1,778 million at end-December 2023.

NOTE 12 EARNINGS PER SHARE

ACCOUNTING STANDARDS

Basic earnings per share is calculated by dividing net income Group share for the year by the weighted average number of ordinary shares outstanding during the year. The average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year.

For the diluted earnings per share calculation, the weighted average number of shares and basic earnings per share are adjusted to take into account the impact of the conversion or exercise of any dilutive potential ordinary shares (options, warrants and convertible bonds, etc.).

In compliance with IAS 33 – *Earnings per Share,* earnings per share and diluted earnings per share are based on net income/(loss) Group share after deduction of payments to bearers of deeply-subordinated perpetual notes (see Note 16.2.1 "Issuance of deeply-subordinated perpetual notes").

The Group's dilutive instruments included in the calculation of diluted earnings per share include bonus shares and performance shares granted in the form of ENGIE securities.

	Dec. 31, 2024	Dec. 31, 2023
Numerator *(in millions of euros)*		
Net income/(loss) Group share	**4,106**	**2,208**
Interest from deeply-subordinated perpetual notes	(76)	(80)
Net income/(loss)used to calculate earnings per share	**4,030**	**2,129**
Net recurring income/(loss) Group share	**5,531**	**5,366**
Interest from deeply-subordinated perpetual notes	(76)	(80)
Net recurring income/(loss)used to calculate earnings per share	**5,455**	**5,287**
Denominator *(in millions of shares)*		
Average number of outstanding shares	**2,425**	**2,422**
Impact of dilutive instruments:		
Bonus share plans reserved for employees	11	11
Diluted average number of outstanding shares	**2,436**	**2,433**
Earnings per share *(in euros)*		
Basic earnings/(loss) per share	**1.66**	**0.88**
Diluted earnings/(loss) per share	**1.65**	**0.88**
Basic recurring earnings/(loss) per share	**2.25**	**2.18**
Diluted recurring earnings/(loss) per share	**2.24**	**2.17**

NOTE 13 FIXED ASSETS

13.1 Goodwill

ACCOUNTING STANDARDS

Upon a business combination, goodwill is measured as the difference between:

- on the one hand the sum of:
  - the consideration transferred,
  - the amount of non-controlling interests in the acquiree, and
  - in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree;
- on the other hand the net fair value of the identifiable assets acquired and liabilities assumed. The key assumptions and estimates used to determine the fair value of assets acquired and liabilities assumed include the market outlook for the measurement of future cash flows as well as applicable discount rates. These assumptions reflect management's best estimates at the acquisition date.

The amount of goodwill recognized at the acquisition date cannot be adjusted after the end of the 12-month measurement period.

Goodwill relating to interests in associates is included in the carrying amount of the investment consolidated under the equity method entities.

13.1.1 Movements in the carrying amount of goodwill

In millions of euros	Net amount
At December 31, 2023	**12,864**
Impairment losses	(67)
Changes in scope of consolidation and other[(1)]	432
Translation adjustments	62
AT DECEMBER 31, 2024	**13,291**

(1) The increase in goodwill is mainly due to the purchase price allocation (PPA) following the acquisition of US-based Broad Reach Power in 2023. At December 31, 2023, this amount (€0.4 billion) was recorded under intangible assets, pending completion of the PPA process.

13.1.2 Information on goodwill

For the purposes of impairment testing, goodwill is allocated to operating segments, which represent the lowest level at which it is monitored for internal management purposes.

The table below shows the amount of goodwill at December 31, 2024:

In millions of euros	Dec. 31, 2024
Networks	5,277
Renewables	2,289
Retail	1,843
FlexGen	1,483
Energy Solutions[(1)]	1,091
Nuclear	797
Other[(1)]	512
TOTAL	**13,291**

(1) Tractebel's internal transfer from Energy Solutions to Other led to a reclassification of the associated goodwill.

13.2 Intangible assets

ACCOUNTING STANDARDS

Initial measurement

Intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Amortization

Intangible assets are amortized on the basis of the expected pattern of consumption of the estimated future economic benefits embodied in the asset. Amortization is calculated mainly on a straight-line basis over the following useful lives:

	Useful life	
Main depreciation periods (years)	Minimum	Maximum
Concession rights	10	30
Customer portfolio	3	20
Other intangible assets	1	50

Intangible rights arising on concession contracts

IFRIC 12 – *Service Concession Arrangements* deals with the treatment to be applied by the concession operator in respect of certain concession arrangements.

For a concession arrangement to fall within the scope of IFRIC 12, usage of the infrastructure must be controlled by the concession grantor. This requirement is satisfied when the following two conditions are met:

- the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- the grantor controls any residual interest in the infrastructure at the end of the term of the arrangement, for example it retains the right to take back the infrastructure at the end of the concession.

The intangible asset model according to paragraph 17 of IFRIC 12 applies if the operator receives a right (a license) to charge the users, or the grantor, depending on the use made of the public service. There is no unconditional right to receive cash, as the amounts depend on the extent to which the public uses the service.

Concession infrastructures that do not meet the requirements of IFRIC 12 are presented as property, plant and equipment. This is the case of gas distribution infrastructures in France. The related assets are recognized in accordance with IAS 16, given that GRDF operates its network under long-term concession arrangements, most of which are mandatorily renewed upon expiration pursuant to French law No. 46-628 of April 8, 1946.

Research and development costs

Research costs are expensed as incurred.

Development costs are capitalized when the asset recognition criteria set out in IAS 38 are met. Capitalized development costs are amortized over the useful life of the intangible asset.

13.2.1 Movements in intangible assets

In millions of euros	Intangible rights arising on concession contracts	Capacity entitlements	Others	Total
GROSS AMOUNT				
AT DECEMBER 31, 2023	**3,906**	**3,293**	**15,223**	**22,422**
Acquisitions	331	-	1,109	1,440
Disposals	(108)	(39)	(479)	(626)
Translation adjustments	(30)	-	(69)	(98)
Changes in scope of consolidation	3	-	(275)	(272)
Other changes	30	107	(349)	(212)
AT DECEMBER 31, 2024	**4,132**	**3,361**	**15,161**	**22,654**
Accumulated amortization and impairment				
AT DECEMBER 31, 2023	**(1,838)**	**(2,314)**	**(9,821)**	**(13,973)**
Amortization	(114)	(105)	(889)	(1,107)
Impairment	(19)	-	(150)	(169)
Disposals	82	39	402	523
Translation adjustments	3	-	(19)	(17)
Changes in scope of consolidation	-	-	(39)	(39)
Other changes	4	-	90	93
AT DECEMBER 31, 2024	**(1,882)**	**(2,380)**	**(10,427)**	**(14,689)**
CARRYING AMOUNT				
AT DECEMBER 31, 2023	**2,067**	**979**	**5,403**	**8,449**
AT DECEMBER 31, 2024	**2,250**	**981**	**4,734**	**7,964**

In 2024, the net decrease in “Intangible assets” was mainly attributable to:

- amortization (negative €1,107 million);
- a net effect resulting from changes in the scope of consolidation (negative €311 million), mainly due, to the purchase price allocation (PPA) for Broad Reach Power, a company acquired by the Group in 2023. Recognized temporarily within intangible assets in 2023, the amount in question (negative €720 million) was allocated to property, plant and equipment for €0.4 billion and to goodwill for €0.4 billion. The allocation to intangible assets and property, plant and equipment results from the remeasurement of operating assets (property, plant and equipment), assets under construction (property, plant and equipment) and projects under development (intangible assets) at their fair value as of the acquisition date. Changes in the Group's scope of consolidation also result from the acquisition of five solar plants in Brazil from Atlas for a total of €248 million (see Note 4 “Main changes in Group structure”);
- impairment losses (negative €169 million).

The net decrease was primarily offset by capital expenditure of €1,440 million over the period relating to concession contracts (€383 million) in the Energy Solutions sector, as well as intangible assets in progress (€805 million) – notably transportation and distribution network extensions and maintenance (€209 million) – mainly in France, IT projects (€171 million), mainly at ENGIE corporate level in France, and capitalized costs for renewable energy projects in the US, Australia, France and Brazil (€84 million).

13.2.2 Capacity entitlements

The Group has acquired capacity entitlements from power stations operated by third parties. These power station capacity rights were acquired in connection with transactions or within the scope of the Group's involvement in financing the construction of certain power stations. In consideration, the Group received the right to purchase a share of the production over the useful life of the underlying rights. These rights are amortized over the useful life of the underlying assets, not exceeding 50 years. The Group currently holds rights in the Chooz B and Tricastin power plants in France and in the virtual power plant (VPP) in Italy.

13.2.3 Other

At December 31, 2024, this caption mainly relates to software and licenses for €1,405 million, as well as intangible assets in progress for €843 million and intangible assets (client portfolio) acquired for €2,164 million as a result of business combinations and capitalized acquisition costs for customer contracts.

13.2.4 Information regarding research and development costs

Research and development activities primarily relate to various studies regarding technological innovation, improvements in plant efficiency, safety, environmental protection, service quality, and the use of energy resources. Research and development priorities are focused on climate change adaptation and mitigation, including renewable energy systems (photovoltaic solar, onshore and offshore wind), the production and use of green gases (hydrogen, biomethane) or the development of decentralized energy infrastructure (district heating and cooling, decentralized solar energy and mobility).

Capitalized development costs, related to projects in the development phase that meet the criteria for recognition as an intangible asset as defined in IAS 38, totaled €28 million in 2024.

13.3 Property, plant and equipment

ACCOUNTING STANDARDS

Initial recognition and subsequent measurement

Items of property, plant and equipment are recognized at historical cost less any accumulated depreciation and any accumulated impairment losses.

The carrying amount of these items is not revalued as the Group has elected not to apply the allowed alternative method, which consists of regularly revaluing one or more categories of property, plant and equipment.

Investment subsidies are deducted from the gross value of the assets concerned.

In accordance with IAS 16, the initial cost of the item of property, plant and equipment includes an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has a present, legal or constructive obligation to dismantle the item or restore the site. A corresponding provision for this obligation is recorded for the amount of the asset component.

Borrowing costs that are directly attributable to the construction of the qualifying asset are capitalized as part of the cost of that asset.

Leases

In accordance with IFRS 16, the Group recognizes a right-of-use asset and a corresponding lease liability with respect to contracts considered as a lease in which the Group acts as lessee, except for leases with a term of 12 months or less ("short-term leases"), and leases for which the underlying asset is of a low value ("low-value asset"). Payments associated with these leases are recognized on a straight-line basis as expenses in profit or loss. The lease contracts in the Group mainly concern real estate, vehicles, LNG vessels, an hydroelectric concession contract and other equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. This rate is calculated based on the Group's incremental borrowing rate adjusted in accordance with IFRS 16, taking into account (i) the economic environment of the subsidiaries, and in particular their credit risk, (ii) the currency in which the contract is concluded and (iii) the duration of the contract at inception (or the remaining duration for contracts existing upon the initial application of IFRS 16). The methodology applied to determine the incremental borrowing rate reflects the profile of the lease payments (duration method).

The lease term is assessed, including whether a renewal option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised, on a case-by-case basis. The lease term is reassessed if a significant event or a significant change in circumstances that is within the control of the lessee occurs and may affect the assessment made. In determining the enforceable period of a lease, the Group applies a broad interpretation of the term penalty and takes into consideration not only contractual penalties arising from termination, but also ancillary costs that could arise in case of an early termination of the lease.

Cushion gas

"Cushion" gas stored in underground storage facilities is essential for ensuring that reservoirs can be operated effectively, and is therefore inseparable from these reservoirs. Unlike "working" gas which is included in inventories (see Note 22.2 "Inventories"), cushion gas is reported in other property, plant and equipment.

Depreciation

In accordance with the components approach, each significant component of an item of property, plant and equipment with a different useful life from that of the main asset to which it relates is depreciated separately over its own useful life.

Property, plant and equipment is depreciated mainly using the straight-line method over the following useful lives:

Main depreciation periods *(years)*	Useful life	
	Minimum	Maximum
Plant and equipment		
• Storage – Production – Transport – Distribution	5	60*
• Installation – Maintenance	3	10
• Hydraulic plant and equipment	20	65
Solar and wind farms	25	30
Other property, plant and equipment	2	33

* *Excluding cushion gas.*

The range of useful lives is due to the diversity of the assets in each category. The minimum periods relate to smaller equipment and furniture, while the maximum periods concern network infrastructures and storage facilities.

Fixtures and fittings relating to hydro plants operated by the Group are depreciated over the shorter of the contract term and the useful life of the assets, taking into account the renewal of the concession period if such renewal is considered to be reasonably certain.

The right-of-use asset related to leases is depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term. In that case the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as that used for property, plant and equipment mentioned above.

13.3.1 Movements in property, plant and equipment

In millions of euros	Land	Buildings	Plant and equipment	Vehicles	Dismantling costs	Assets in progress	Right of use	Other	Total
GROSS AMOUNT									
AT DECEMBER 31, 2023	**673**	**2,765**	**101,300**	**328**	**5,395**	**6,716**	**5,454**	**1,198**	**123,829**
Acquisitions/Increases	6	533	156	27	-	7,792	982	(96)	9,399
Disposals	(3)	(28)	(713)	(19)	(8)	(15)	(124)	(100)	(1,010)
Translation adjustments	3	45	294	1	19	47	129	4	542
Changes in scope of consolidation	(23)	2	1,319	(1)	22	336	16	(180)	1,492
Transfer to “Assets classified as held for sale and discontinued operations”	-	-	-	(5)	-	-	(2)	(8)	(15)
Other changes	41	157	5,558	8	97	(5,645)	(251)	57	22
AT DECEMBER 31, 2024	**696**	**3,474**	**107,914**	**339**	**5,525**	**9,232**	**6,204**	**875**	**134,259**
ACCUMULATED DEPRECIATION AND IMPAIRMENT									
AT DECEMBER 31, 2023	**(158)**	**(1,793)**	**(56,306)**	**(239)**	**(4,467)**	**(229)**	**(1,893)**	**(794)**	**(65,879)**
Depreciation	(6)	(183)	(2,874)	(31)	(371)	-	(427)	(129)	(4,021)
Impairment	(5)	(1)	(452)	-	(4)	(67)	(29)	(164)	(722)
Disposals	(1)	22	650	17	8	6	136	93	932
Translation adjustments	1	(20)	(145)	(1)	(13)	(6)	(37)	(8)	(229)
Changes in scope of consolidation	-	-	(483)	1	(2)	(5)	(1)	35	(455)
Transfer to “Assets classified as held for sale and discontinued operations”	-	-	-	5	-	-	2	7	13
Other changes	(4)	(118)	463	2	(18)	-	31	135	491
AT DECEMBER 31, 2024	**(173)**	**(2,094)**	**(59,148)**	**(245)**	**(4,868)**	**(301)**	**(2,220)**	**(824)**	**(69,871)**
CARRYING AMOUNT									
AT DECEMBER 31, 2023	**516**	**971**	**44,993**	**90**	**928**	**6,487**	**3,561**	**404**	**57,950**
AT DECEMBER 31, 2024	**523**	**1,380**	**48,766**	**94**	**657**	**8,932**	**3,985**	**52**	**64,388**

In 2024, the net increase in "Property, plant and equipment" essentially takes into account:

- maintenance and development investments for a total amount of €8,417 million mainly related to the construction and the development of wind and solar farms primarily in Brazil, the US, France and Chile (€3,997 million), the extension of the transportation and distribution networks in the Networks sector in France, Latin America and Romania (€1,862 million), FlexGen operating segment assets (€1,623 million), and activities in the Energy Solutions operating segment (€588 million);
- a net positive effect of changes in the scope of consolidation amounting to €1,037 million, related mainly to the acquisition of five solar power plants in Brazil from Atlas for a total of €389 million (see Note 4 "Main changes in Group structure") and to the finalization of the purchase price allocation (PPA) for Broad Reach Power (€374 million, see Note 13.2.1);
- positive foreign exchange effects of €313 million, mainly resulting from the appreciation of the US dollar (positive €948 million), partially countered by the depreciation of the Brazilian real and the pound sterling (negative €692 million) against the euro.

These effects are offset by depreciation and amortization expense totaling €4,021 million.

13.3.2 Pledged and mortgaged assets

Items of property, plant and equipment pledged by the Group to guarantee borrowings and debt amounted to €1,490 million at December 31, 2024 compared to €1,625 million at December 31, 2023.

13.3.3 Contractual commitments to purchase property, plant and equipment

In the ordinary course of their operations, some Group companies have entered into commitments to purchase, and the related third parties to deliver plant and equipment. These commitments relate mainly to orders for equipment and material related to the construction of energy production units and to service agreements.

Contractual investment commitments made by the Group to purchase property, plant and equipment totaled €2,461 million at December 31, 2024 compared to €2,859 million at December 31, 2023.

The net reduction in contractual commitments relates mainly to renewable assets in Brazil for €859 million, offset by Energie Solution assets in France for €411 million.

13.3.4 Other information

Borrowing costs included in the cost of property, plant and equipment amounted to €308 million at December 31, 2024 compared to €268 million at December 31, 2023.

13.4 Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities

ACCOUNTING STANDARDS

Risk of impairment

Goodwill

Goodwill is not amortized but is tested for impairment each year in accordance with IAS 36, or more frequently where an indication of impairment is identified. All goodwill is tested for impairment based on data at the end of June, supplemented by a review of events in the second half.

Impairment tests are carried out at the level of cash-generating units (CGUs) or groups of CGUs, which constitute groups of assets which generate cash flows that are largely independent from cash flows generated by other CGUs.

Goodwill is impaired if the net carrying amount of the CGU (or group of CGUs) to which the goodwill is allocated is greater than the recoverable amount of that CGU.

Impairment losses in relation to goodwill cannot be reversed and are shown as "Impairment losses" in the income statement.

Intangible assets and property, plant and equipment

In accordance with IAS 36, impairment tests are carried out on items of property, plant and equipment and intangible assets where there is an indication that the assets may be impaired. Such indications may be based on events or changes in the market environment, or on internal sources of information. Intangible assets that are not amortized are tested for impairment annually.

Property, plant and equipment and intangible assets with finite useful lives are only tested for impairment when there is an indication that they may be impaired. This is generally the result of significant changes in the environment in which the assets are operated or when economic performance is lower than expected.

Items of property, plant and equipment and intangible assets are tested for impairment at the level of the cash-generating unit (CGU), as appropriate and determined in accordance with IAS 36. If the recoverable amount of an asset is lower than its carrying amount, the carrying amount is written down to the recoverable amount by recording an impairment loss. Upon recognition of an impairment loss, the depreciable amount and possibly the useful life of the asset concerned is revised.

Impairment losses recorded in relation to property, plant and equipment or intangible assets may be subsequently reversed if the recoverable amount of the asset increases to exceed the carrying amount. The increased carrying amount of an item of property, plant or equipment following the reversal of an impairment loss may not exceed the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognized in prior periods.

Equity method entities

The total carrying amount of equity method entities is tested for impairment as an individual asset in accordance with IAS 36, by comparing the recoverable amount (i.e., the higher of value in use and fair value less costs to sell) with the carrying amount, whenever there is an indication that it may be impaired.

Indicators of impairment

The main indicators of impairment used by the Group are:

- using external sources of information
  - a decline in an asset's value over the period that is significantly more than would be expected from the passage of time or normal use,
  - significant adverse changes that have taken place over the period, or will take place in the near future, in the technological market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated,
  - an increase over the period in market interest rates or other market rates of return on investments if such increase is likely to affect the discount rate used in calculating an asset's value in use and decrease its recoverable amount materially,
  - the carrying amount of the net assets of the entity exceeds its market capitalization;
- using internal sources of information:
  - evidence of obsolescence or physical damage to an asset,
  - significant changes in the extent to which, or manner in which, an asset is used or is expected to be used, that have taken place in the period or soon thereafter and that will adversely affect it. These changes include the asset becoming idle, plans to dispose of an asset sooner than expected, reassessing its useful life as finite rather than indefinite or plans to restructure the operations to which the asset belongs; internal reports that indicate that the economic performance of an asset is, or will be, worse than expected.

Measurement of recoverable amount

For operating entities which the Group intends to hold on a long-term and going concern basis, the recoverable amount of a CGU corresponds to the higher of its fair value less costs to sell and its value in use. Value in use is primarily determined based on the present value of future operating cash flows including a terminal value. Standard valuation techniques are used based on the following main economic assumptions:

- market perspectives and developments in the regulatory framework;
- discount rates based on the specific characteristics of the operating entities concerned;
- terminal values in line with available market data specific to the operating segments concerned and growth rates associated with these terminal values, not exceeding the inflation rate.

Discount rates are determined on a post-tax basis and applied to post-tax cash flows. The recoverable amounts calculated on the basis of these discount rates are the same as the amounts obtained by applying the pre-tax discount rates to cash flows estimated on a pre-tax basis, as required by IAS 36.

For operating entities which the Group has decided to sell, the related recoverable amount of the assets concerned is based on market value less disposal costs. Where negotiations are ongoing, this value is determined based on the best estimate of their outcome as of the reporting date.

13.4.1 General assumptions

The impairment tests were performed in the context of a highly volatile economic environment, as described in Note 1.3 “Use of estimates and judgments”.

In most cases, the recoverable amounts are determined by reference to a value in use that is calculated using cash flow projections drawn up on the basis of the 2025 budget and the 2026-2027 medium-term business plan, as approved by the Executive Committee and the Board of Directors, and on the basis of extrapolated cash flows beyond that time frame.

Cash flow projections beyond the medium-term business plan period are determined on the basis of macroeconomic assumptions (inflation, exchange rates and growth rates), and price forecasts resulting from the Group's reference scenario for 2028-2050 as revised and validated by the Group Executive Committee in June 2024. The forecasts and projections included in the reference scenario were determined on the basis of the following inputs:

- forward market prices over the liquidity period for fuel (coal, oil and gas), CO_2 and electricity on each market in a context of changing energy prices;
- beyond this period, medium- and long-term energy prices were determined by the Group based on macroeconomic assumptions and fundamental supply and demand equilibrium models, the results of which are regularly compared against forecasts prepared by external energy sector specialists. Long-term projections for CO_2 prices are in line with the 2030 emissions reduction target of 55% and the 2050 climate neutrality objectives set by the European Commission as part of the “European Green Deal” presented in December 2019 and July 2021. Among the external scenarios, the Group's scenario can be considered as intermediate between the STEPS (Stated Energy Policies Scenario) and APS (Announced Pledges Scenario) scenarios of the International Energy Agency or similar to that of ADEME (“green technology”) in the case of France;

- more specifically, medium- and long-term electricity prices were determined by the Group using electricity demand forecasting models, medium- and long-term forecasts of fuel and CO_2 prices, and expected trends in installed capacity and in the technology mix of the production assets within each power generation system. ENGIE has opted for a balanced mix, integrating renewable gas and carbon dioxide capture and storage in order to guarantee an energy system with the best levels of efficiency and resilience. This trajectory has been included in the Group's report as part of the "Task Force on Climate Related Financial Disclosures" (TCFD) initiative. The risk factors arising from climate and environmental issues are also detailed in the Group's Universal Registration Document.

Lastly, as part of the Group's efforts to take account of climate issues (see Note 1.3.3 "Consideration of environmental, social and governance (ESG) issues in the preparation of the Group's financial statements"), in measuring its non-financial assets, ENGIE considered its commitment to completely withdraw from coal activities by 2027 (see Note 13.4.5), and updated its reference scenario to include changes in energy (heating and cooling) demand in Europe.

This section also discusses the impairment losses recognized in connection with equity method entities (under the "Impairment losses" line of the income statement) as well as impairment losses recognized within these companies (on the "Share in net income of equity method entities" line of the income statement) (see Note 3 "Investments in equity method entities").

13.4.2 Renewables

At December 31, 2024, goodwill amounted to €2,289 million, intangible assets to €1,839 million, property, plant and equipment to €21,462 million and equity method entities to €2,818 million.

Renewables comprises all centralized renewable energy generation activities, including financing, construction, operation and maintenance of renewable energy facilities, using various energy sources such as hydropower, onshore wind, photovoltaic solar, biomass, offshore wind, and battery storage linked to a renewable asset. The energy produced is fed into the grid and sold either on the open or regulated market or to third parties through electricity sale agreements.

The main assumptions and key estimates relate primarily to discount rates, assumptions as to the renewal of the hydropower concession agreements and changes in electricity prices beyond the liquidity period.

The value in use of the Compagnie Nationale du Rhône and SHEM was calculated based on assumptions including the extension or renewal through a tender process for the concession agreements.

The cash flows for the periods covered by the renewal of the concession agreements are based on a number of assumptions relating to the economic and regulatory conditions for operating these assets (royalty rates, required level of investment, etc.) during this period.

In 2024, the discount rates applied to these activities ranged between 5.4% and 11.3%. In 2023, they ranged between 5.3% and 10.3%. These rates vary according to geography and associated risks (primarily country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2024, no impairment losses were recognized on goodwill in consideration of the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €15 million were recognized in 2024 on the "Impairment losses" line of the income statement.

These impairment losses mainly concern onshore renewables in North America for €91 million, and were offset by an €80 million impairment reversal on an equity method entity in Brazil.

Regarding US renewables more specifically:

- onshore renewable assets were tested based on applicable unchanged regulations (notably tax regulations);
- at December 31, 2024, the Ocean Winds joint venture's total investment in US offshore projects was around €0.5 billion (ENGIE Group share, before impairment). They have been valued by the Group taking into account a four-year time lag in their development, in a context where the impact of any changes in US regulations, and in particular the Executive Order of January 20, 2025, is not yet known. At December 31, 2024, an impairment loss of €133 million (ENGIE Group share) has been recognized under "Share in net income/(loss) of equity method entities".

Sensitivity analysis

The sensitivity of the hydropower generation business in France and the renewable power generation business in North America to changes in electricity prices and changes in discount rates (impact on the recoverable amount) is shown in the table below:

	Dec. 31, 2024			
	Electricity prices		Discount rates	
In billions of euros	+€10/MWh(1)	-€10/MWh(1)	+50 bp	-50 bp
Hydropower generation in France	0.3	(0.3)	(0.2)	0.2
Renewables assets in North America	0.5	(0.5)	(0.1)	0.2

(1) Non-linear increase or decrease due to the method of calculating water-power fees.

An increase of 50 basis points in the discount rates and a decrease of €10/MWh in the electricity price would have a negative impact on the recoverable amount. However, the recoverable amount of goodwill would remain above the carrying amount.

13.4.3 Networks

Networks comprises the Group's electricity and gas infrastructure activities and projects. These activities include the management and development of (i) gas and electricity transportation networks and natural gas distribution networks in and outside of Europe, (ii) underground natural gas storage in Europe, and (iii) regasification infrastructure in France and Chile.

Apart from the historical infrastructure management activities, its asset portfolio also contributes to the challenges of the energy transition and network greening (biomethane, hydrogen, etc.).

At December 31, 2024, goodwill amounted to €5,277 million, intangible assets to €1,032 million, property, plant and equipment to €30,011 million and equity method entities to €1,609 million. French regulated infrastructure assets amounted to €902 million for intangible assets and €26,953 million for property, plant and equipment.

The valuation of activities in France is mainly based on cash flow projections determined on the basis of tariffs negotiated with the French energy regulator (CRE) and terminal values corresponding to the expected value of the Regulated Asset Base (RAB). The RAB is the value assigned by the CRE to the assets operated by distributors.

The Regulated Asset Base (or RAB) groups together all assets commissioned by an infrastructure operator to carry out its regulated activity. It establishes an economic value for these assets, which is used by the regulator to set tariffs for access to this infrastructure. It includes the assets needed to provide the service, such as infrastructure and equipment. It serves as the basis for calculating investment costs that must be covered by the infrastructure access tariff, including amortization of the investment initially made by the operator and a reasonable return on investment for the industrial activity in question. In other words, it forms the basis of the tariff-setting methodology used by the regulator to ensure that companies can cover their costs and make a fair profit, while protecting consumers from excessive tariffs.

In respect of the valuation of activities in France, the energy mix scenario for 2050, adopted by the Group and detailed in Note 17.3.1 “Dismantling obligations arising on non-nuclear plant and equipment”, will not lead to any significant change in RAB. Given the vital role of gas, a reliable energy source able to supplement renewable energies that are inherently intermittent, uncontrollable and difficult to store, the Group plans to maintain its gas network infrastructures for the transportation of green methane (biomethane in particular) and natural gas for carbon capture, or to convert them to allow for the transportation of hydrogen. These green gases (biomethane, hydrogen, etc.) will gradually replace natural gas. This strategic role will be further strengthened by the new opportunities offered in terms of CO_2 storage, transportation and exportation.

To achieve this, the Group plans to maintain its current level of investment. This approach is largely supported by a rapidly developing regulatory framework supporting the sharp rise in the use of hydrogen and biomethane in the European Union. The EU gas package adopted in April 2024 sets a European biomethane production target (35 bpm by 2030), and defines low-carbon gases and a regulatory framework for hydrogen infrastructure and infrastructure planning obligations (including annually updated ten-year plans for operators of gas and hydrogen transportation networks), the implementation of which is entrusted to Member States and operators.

France's political and social strategy concerning the energy transition aims to achieve carbon neutrality by 2050. The priorities of France’s climate and energy policy are being updated to reflect the French Energy-Climate Strategy (*Stratégie Française sur l’Énergie et le Climat* – SFEC)[1]. The scenario adopted by the Group is supported by the main findings of the CRE report of April 2023 on the future of gas infrastructures, the conclusions of the public consultation on “decarbonizing the building industry” organized in summer 2023 (highlighting the difficulties associated with a possible ban on the installation of new gas boilers in existing homes), and, to a certain extent, by the latest public outlook for the future Pluriannual Energy Program (*Programmation Pluriannuelle de l'Énergie*). These reinforce France's biomethane production targets (44 TWh by 2030) and reaffirm the importance of gas storage for the country's energy supply security. However, the draft PPE3 introduces a significant target for the replacement of gas-fired boilers by another energy solution, notably electric. The Group considers this target to be unrealistic for reasons of economic sustainability for households, or due to technical constraints that prevent the installation of efficient electrical solutions or connection to a heating network in almost half of all homes. Consequently, the Group considers that the draft PPE3 does not affect the energy mix scenario for 2050.

In 2024, the discount rates applied to all these activities, both in France and internationally, generally ranged between 5.1% and 10.0%. In 2023, they ranged between 4.9% and 9.4%. These rates vary according to the geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2024, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash-generating unit to which it belongs.

Impairment losses totaling €29 million were recognized in 2024 on the “Impairment losses” line of the income statement. These impairment losses mainly concern certain biomethane production assets for a total of €18 million.

Sensitivity analysis

Given the regulated nature of the Networks business in France, as well as the progressive transition from natural gas to green gas, a reasonable change in any of the valuation inputs (discount rate, inflation rate and rate of return on assets) would not result in any impairment losses.

(1) *The SFEC comprises three documents: the Energy and Climate Planning Bill (LPEC), which defines the objectives and priorities for action; the Multi-Annual Energy Plan (PPE), which is used to manage energy policy over two successive five-year periods; and the National Low-Carbon Strategy (SNBC), which defines a greenhouse gas emissions reduction roadmap by industry through to 2050.*

As mentioned above, the latest public outlook of the future Multi-Annual Energy Plan (PPE) and the Energy Performance of Buildings Directive (EPBD) points to potential measures detrimental to gas boilers (removal of financial incentives for installing boilers, ongoing aid for installing heat pumps). These measures will have a much smaller impact on the gas customer portfolio, and therefore on the value of gas infrastructure assets in France, than a ban on installations of gas boilers, which was withdrawn after being proposed in 2023.

A more substantial change in the regulatory framework could have a significant impact on the valuation of gas infrastructure assets in France, including on the goodwill of the Infrastructure CGU. Gas infrastructures in France account for 86% of the recoverable value of the Infrastructure CGU.

The 2024 (and 2023) regulatory asset base (RAB) for gas infrastructure assets in France and the net carrying amount of intangible assets and property, plant and equipment along with the associated depreciation and amortization expense, are set out below:

In millions of euros	2024 BAR	2023 BAR	Carrying amount of PP&E and intangible assets (excluding goodwill)	Depreciation and amortization
GRDF	17,281	16,941	14,736	(1,098)
GRTgaz	9,384	9,362	7,744	(554)
Storengy	4,302	4,120	4,448	(163)
Elengy	912	930	348	(52)

13.4.4 Energy Solutions

At December 31, 2024, goodwill amounted to €1,091 million, intangible assets to €2,540 million, property, plant and equipment to €2,907 million and equity method companies to €1,915 million.

Energy Solutions encompasses the construction and management of decentralized energy networks to produce energy (heating and cooling networks, distributed power generation plants, distributed solar power parks, low-carbon mobility, low-carbon cities and public lighting, etc.) and related services (energy efficiency, technical maintenance, sustainable development consulting).

The terminal value used to calculate the value in use of the services and energy sales businesses in France was determined by extrapolating the cash flows beyond the medium-term business plan period using a long-term growth rate of 2% per year.

The main assumptions and key estimates relate primarily to discount rates and changes in price beyond the liquidity period.

In 2024, the discount rates applied to these activities ranged between 5.1% and 9.8%. In 2023, they ranged between 5.3% and 9%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2024, no impairment losses were recognized on goodwill in consideration of the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €232 million were recognized in 2024 on the "Impairment losses" line of the income statement. These impairment losses mainly relate to assets in France (€108 million) and North America (€73 million) whose medium- and long-term outlook was revised or in relation to which operational difficulties have arisen.

Sensitivity analysis

Given the essentially contractual nature of Energy Solutions activities, a reasonable change in any of the valuation inputs would not result in impairment losses on goodwill.

13.4.5 FlexGen

At December 31, 2024, goodwill amounted to €1,483 million, intangible assets to €204 million, property, plant and equipment to €7,744 million, and equity method companies to €1,889 million.

FlexGen encompasses all the Group's the activities involved in compensating the intermittent nature of renewable energies by providing upstream flexibility (flexible generation as well as pump- or battery- operated storage plants) and downstream flexibility (shaving or shifting the consumption of BtoC customers). They also provide solutions to decarbonize the industry with low-carbon hydrogen. The GBU plays a key role in the energy transition. It also includes the financing, construction and operation of desalination plants, whether or not connected to power plants.

The main assumptions and key estimates relate to discount rates, estimated demand for electricity and changes in the margin captured beyond the liquidity period (i.e., changes in the margin comprising electricity prices, less the price of CO_2 and fossil fuels beyond the liquidity period).

In 2024, the discount rates applied to these activities ranged between 6.7% and 12.0%. In 2023, they ranged between 6.4% and 10.4%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2024, no impairment losses were recognized on goodwill in consideration of the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €223 million were recognized in 2024 on the "Impairment losses" line of the income statement.

These impairment losses mainly relate to disposals, either in progress or completed, carried out as part of the shift in the Group's geographic and/or business focus:

- disposal – not yet completed at December 31, 2024 – of two power plants in Pakistan (€205 million, including an impairment loss of €67 million on goodwill allocated in application of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*);
- disposal – completed in January 2025 – of part of the stake held in the equity method company SAFIEC SA ("Safi") in Morocco (€54 million);
- disposal – completed in 2024 – of the stake held in Senoko in Singapore (impairment reversal of €66 million).

The Group also recognized an impairment loss on thermal generation assets in Italy (€88 million) under "Share in net income/(loss) of equity method entities", due to a poorer positioning of assets in the order of merit, against a backdrop of falling price forecasts.

Sensitivity analysis

An increase of 50 basis points in the discount rates used would have a negative 2% impact on the recoverable amount of thermal power plants in France, Belgium, the Netherlands and Spain. However, the recoverable amount of goodwill would remain above the carrying amount. A reduction of 50 basis points in the discount rates used would have a positive 2% impact on the calculation.

A 10% decrease in the margin captured by thermal power plants in France, Belgium, the Netherlands and Spain would have a negative impact of 6% on the recoverable amount. An increase of 10% in the margin captured would have a positive 6% impact on this calculation.

13.4.6 Retail

At December 31, 2024, goodwill amounted to €1,843 million, intangible assets to €519 million, and property, plant and equipment to €97 million.

Retail encompasses all the Group's activities relating to the sale of gas and electricity to end customers. It also includes all the Group's activities in services for residential clients;

The terminal value used to calculate the value in use of the main services and energy sales businesses in Europe was determined by extrapolating cash flows beyond the medium-term business plan period using a long-term growth rate of approximately 2% per year.

In 2024, the discount rates applied to these activities ranged between 7.8% and 10.3%. In 2023, they ranged between 8% and 10.6%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2024, no impairment losses were recognized on goodwill in consideration of the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €250 million were recognized in 2024 on the "Impairment losses" line of the income statement. These impairment losses are mainly due to the impact of the disposal, not yet completed at December 31, 2024, of the entities holding solar supply solutions and pay-as-you-go mini-grid assets in Africa (€0.2 billion).

Sensitivity analysis

Given the capital-light nature of Retail activities, a reasonable change in any of the valuation inputs would not result in any impairment losses on goodwill.

13.4.7 Nuclear

At December 31, 2024, goodwill amounted to €797 million, intangible assets to €981 million, property, plant and equipment to €670 million, and equity method companies to €62 million.

Key assumptions used for the impairment test

On December 13, 2023, ENGIE and the Belgian State signed an agreement to extend the Doel 4 and Tihange 3 nuclear facilities by 10 years (see Note 17.2 "Obligations relating to nuclear power generation facilities"). This agreement also provides for the establishment of a legal structure dedicated to the two extended nuclear units, equally owned by the Belgian State and ENGIE, aligning the interests of the two parties and ensuring the sustainability of their commitments. The business model of the extension is based on a balanced allocation of risks, notably through a Contract for Difference mechanism guaranteeing the value of extension investments, with a limited incentive for the industrial operator to achieve a favorable technical and economic performance at the plants. On February 21, 2025, the European Commission approved, pursuant to EU State aid rules, the agreement between ENGIE and the Belgian government announced on December 13, 2023, regarding the extension of the operations of the Tihange 3 and Doel 4 nuclear reactors as well as the obligations relating to nuclear waste. As a result, ENGIE and the Belgian government are currently completing various procedural steps in order to finalize the transaction by March 14, 2025 at the latest (see Note 24.2). The Belgian parliament had approved, on April 18, 2024, the legislative amendments necessary to create the framework required to implement this agreement (see Note 17.2).

In addition, for the period up to the extension of the two Belgian nuclear units, and for the period covering drawing rights on nuclear power plants in France, the cash flow projections are based on a large number of key assumptions, such as prices of fuel and CO_2, expected trends in electricity prices, availability of power plants, market outlook, and changes in the regulatory environment (especially concerning the extension of drawing rights agreements for French nuclear plants). Lastly, the key assumptions also include the discount rate used to calculate the value in use of these activities, which amounted to 7.1% for 2024.

Cash flow projections beyond the medium-term business plan for drawing rights on the Chooz B and Tricastin power plants have been determined on the basis of the residual term of the contracts and the assumption of a 10-year extension.

In France, the Nuclear Safety Authority authorized the start-up of Tricastin 1 on December 20, 2019 after its shutdown for its fourth 10-yearly inspection and, on December 3, 2020, published a draft decision setting out the conditions for the 900 MW reactors to continue operating beyond 40 years. Confirmation of a 10-year extension of the operating life of the 900 MW series reactors is therefore expected to be formalized in the next few years, once the conditions for continued operation have been determined by the French Nuclear Safety Authority (*Autorité de Sûreté Nucléaire*) and a public inquiry has been held. In August 2023, the French Nuclear Safety Authority issued its opinion on the continued operation of Tricastin unit No. 1 for a further 10 years. The reactor, commissioned in 1980, is therefore authorized to operate for 50 years. The Group has therefore considered the 10-year extension of the nuclear units, and the corresponding drawing rights, beyond their fourth 10-yearly outage. The fourth ten-yearly inspection of Tricastin was completed in 2024 by unit No. 4, while the third ten-yearly inspection of Chooz B took place in 2019. The assumption of an extension was already considered in the impairment tests of previous years.

Results of the impairment test

The recoverable amount of the Nuclear assets remains above the value of goodwill, particularly due to the excess value attached to the plants in France.

Impairment losses totaling €2 million were recognized in 2024 under "Impairment losses" on the income statement.

Sensitivity analysis

A decrease of €10/MWh in electricity prices for nuclear-generated power in France beyond the liquidity period would lead to a decrease of €0.5 billion in the recoverable amount and a resulting goodwill impairment loss of €0.3 billion.

In light of the Contract for Difference mechanism put in place in connection with the extension of the Doel 4 and Tihange 3 nuclear facilities, the recoverable amount of these facilities is fairly insensitive to changes in electricity prices for nuclear-generated power in Belgium.

A 5% reduction in the availability rate of the French plants would lead to a decrease of €0.2 billion in the recoverable amount, but without any impairment.

13.4.8 Other

At December 31, 2024, goodwill amounted to €512 million, intangible assets to €850 million, property, plant and equipment to €1,496 million and equity method entities to €80 million.

The Other segment encompasses energy management and optimization activities, the BtoB supply activities in France of *Entreprises & Collectivités* (E&C), Tractebel, as well as the Corporate and holding activities and other entities. These entities present a significant difference between recoverable amount and the carrying amount of the segment's operating activities carrying goodwill at December 31, 2024.

A €42 million impairment reversal was recognized in 2024 on the "Impairment losses" line of the income statement, mainly concerning:

- the impairment loss recognized on EVBox assets following the decision to cease operations (€96 million);
- a €171 million impairment reversal to take account of the impacts of the disposal – not yet completed at December 31, 2024 – of the Group's stake in E&E Algeria Touat BV, which owns 65% of the TouatGaz consortium operating the Touat gas field in Algeria.

NOTE 14 FINANCIAL INSTRUMENTS

14.1 Financial assets

ACCOUNTING STANDARDS

In accordance with the principles of IFRS 9 – *Financial Instruments*, financial assets are recognized and measured either at amortized cost, at fair value through equity or at fair value through profit or loss based on the following two criteria:

- a first criterion relating to the contractual cash flow characteristics of the financial asset. The analysis of contractual cash flow characteristics makes it possible to determine whether these cash flows are "only payments of principal and interest on the outstanding amounts" (known as the "SPPI" test or Solely Payments of Principal and Interest);
- a second criterion relating to the business model used by the Group to manage its financial assets. IFRS 9 defines three different business models: a first business model whose objective is to hold assets in order to collect contractual cash flows (hold to collect), a second model whose objective is achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell), and other business models.

The identification of the business model and the analysis of the contractual cash flow characteristics require judgment to ensure that the financial assets are classified in the appropriate category.

Where the financial asset is an investment in an equity instrument and is not held for trading, the Group may irrevocably elect to present the gains and losses on that investment in other comprehensive income.

Except for trade receivables, which are measured at their transaction price in accordance with IFRS 15, financial assets are measured, on initial recognition, at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to their acquisition.

At the end of each reporting period, the credit risks of fixed-income financial assets measured using the amortized cost method or at fair value through other comprehensive income are subject to a provision based on the expected credit losses method.

Financial assets also include derivatives that are measured at fair value in accordance with IFRS 9.

In accordance with IAS 1, the Group presents current and non-current assets and current and non-current liabilities separately in the statement of financial position. In view of the majority of the Group's activities, it was considered that the criterion to be used to classify assets is the expected time to realize the asset or settle the liability: the asset is classified as current if this period is less than 12 months and as non-current if it is more than 12 months after the reporting period.

The following table presents the Group's different categories of financial assets, broken down into current and non-current items:

In millions of euros	Notes	Dec. 31, 2024 Non-current	Dec. 31, 2024 Current	Dec. 31, 2024 Total	Dec. 31, 2023 Non-current	Dec. 31, 2023 Current	Dec. 31, 2023 Total
Other financial assets	14.1	7,722	11,959	19,681	14,817	2,170	16,987
Equity instruments at fair value through other comprehensive income		*903*	*-*	*903*	*1,902*	*-*	*1,902*
Equity instruments at fair value through profit or loss		*226*	*-*	*226*	*222*	*-*	*222*
Debt instruments at fair value through other comprehensive income		*1,414*	*24*	*1,438*	*1,753*	*119*	*1,873*
Debt instruments at fair value through profit or loss		*1,468*	*785*	*2,253*	*2,915*	*654*	*3,569*
Loans and receivables at amortized cost		*3,711*	*11,150*	*14,861*	*8,024*	*1,397*	*9,421*
Trade and other receivables	7.2	-	15,880	15,880	-	20,092	20,092
Assets from contracts with customers	7.2	3	9,229	9,232	1	9,530	9,531
Cash and cash equivalents		-	16,928	16,928	-	16,578	16,578
Derivative instruments	14.4	6,689	6,366	13,055	12,764	8,481	21,245
TOTAL		**14,413**	**60,362**	**74,776**	**27,582**	**56,850**	**84,433**

14.1.1 Other financial assets

14.1.1.1 Equity instruments at fair value

ACCOUNTING STANDARDS

Equity instruments at fair value through other comprehensive income (OCI)

Under IFRS 9 an irrevocable election can be made to present subsequent changes in the fair value of an investment in an equity instrument that is not held for trading in other comprehensive income. This choice is made on an instrument by instrument basis. Amounts presented in other comprehensive income should not be transferred to profit or loss including proceeds of disposals. However, IFRS 9 authorizes the transfer of the accumulated profits and losses to another component of equity. Dividends from such investments are recognized in profit or loss unless the dividend clearly represents the recovery of a portion of the cost of the investment.

The equity instruments recognized under this line item mainly concern investments in companies that are not controlled by the Group and for which OCI measurement has been selected given their strategic and long-term nature.

Upon initial recognition, these equity instruments are recognized at fair value, which is generally their acquisition cost, plus transaction costs.

At each reporting date, for listed securities, fair value is determined based on the quoted market price at the reporting date. For unlisted securities, fair value is measured using valuation models based primarily on the latest market transactions, the discounting of dividends or cash flows and the net asset value.

Equity instruments at fair value through profit or loss

Equity instruments that are held for trading or for which the Group has not elected for measurement at fair value through other comprehensive income are measured at fair value through profit or loss.

This category mainly includes investments in companies not controlled by the Group.

Upon initial recognition, these equity instruments are recognized at fair value, which is generally their acquisition cost.

At each reporting date, for listed and unlisted securities, the same measurement method as described above should be applied.

In millions of euros	Equity instruments at fair value through other comprehensive income	Equity instruments at fair value through profit or loss	Total
AT DECEMBER 31, 2023	**1,902**	**222**	**2,124**
Acquisitions	371	76	447
Disposals	(1,582)	(47)	(1,628)
Changes in fair value	224	(23)	201
Changes in scope of consolidation, translation adjustments and other	(13)	(2)	(15)
AT DECEMBER 31, 2024	**903**	**227**	**1,129**
Dividends	3	5	8

Equity instruments break down as €653 million of listed equity instruments (€1,653 million at December 31, 2023) and €476 million of unlisted equity instruments (€473 million at December 31, 2023).

During the period, the Group sold equity instruments with a view to reinvesting, the financial assets earmarked to cover nuclear provisions, in the "Loans and receivables at amortized cost" line.

14.1.1.2 Debt instruments at fair value

ACCOUNTING STANDARDS

Debt instruments at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and for which the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding amount (SPPI), are measured at fair value through OCI (with a recycling mechanism). This involves a measurement through profit or loss for interest (at amortized cost using the effective interest method), impairment and foreign exchange gains and losses, and through OCI (with a recycling mechanism) for other gains or losses.

This category mainly includes bonds.

Fair value gains and losses on these instruments are recognized in other comprehensive income, except for the following items which are recognized in profit or loss:

- expected credit losses and reversals;
- foreign exchange gains and losses.

When the financial asset is derecognized, the cumulative gain or loss that was previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Debt instruments at fair value through profit or loss

Financial assets whose contractual cash flows do not consist solely of payments of principal and interest on the amount outstanding (SPPI) or that are held in view of an "other" business model are measured at fair value through profit or loss.

The Group's investments in UCITS are accounted for in this caption. They are considered as debt instruments, according to IAS 32 – *Financial Instruments: Presentation*, given the existence of an obligation for the issuer to redeem units, at the request of the holder. They are measured at fair value through profit or loss because the contractual cash flow characteristics do not meet the SPPI test.

In millions of euros	Debt instruments at fair value through other comprehensive income	Liquid debt instruments held for cash investment purposes at fair value through other comprehensive income	Debt instruments at fair value through profit or loss	Liquid debt instruments held for cash investment purposes at fair value through profit or loss	Total
AT DECEMBER 31, 2023	**1,873**	-	**2,685**	**884**	**5,441**
Acquisitions	2,203	-	652	280	3,135
Disposals	(2,649)	(1)	(844)	(154)	(3,649)
Changes in fair value	5	-	191	26	222
Changes in scope of consolidation, translation adjustments and other	6	1	(1,466)	-	(1,458)
AT DECEMBER 31, 2024	**1,438**	-	**1,218**	**1,035**	**3,691**

Debt instruments at fair value at December 31, 2024 primarily included bonds and money market funds held by Synatom for €2,633 million (see Note 17.2.4 “Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material”) and liquid instruments deducted from net financial debt for €1,035 million (respectively €4,536 million and €884 million at December 31, 2023).

During the period, the Group sold debt instruments with a view to reinvesting, the financial assets earmarked to cover nuclear provisions, in the “Loans and receivables at amortized cost” line.

14.1.1.3 Loans and receivables at amortized cost

ACCOUNTING STANDARDS

Loans and receivables held by the Group under a business model consisting in holding the instrument in order to collect the contractual cash flows, and whose contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding (SPPI test) are measured at amortized cost. Interest is calculated using the effective interest method.

The following items are recognized in profit or loss:

- interest income using the effective interest method;
- expected credit losses and reversals;
- foreign exchange gains and losses.

The Group has entered into concession agreements with certain public authorities under which the construction, extension or improvement of infrastructure is carried out in return for an unconditional right to receive payment from the concession holder in cash or other financial assets. In this case, the Group recognizes a financial receivable from the concession holders.

The Group has entered into services or take-or-pay contracts that are, or contain, a lease and under which the Group acts as lessor and its customers as lessees. Leases are analyzed in accordance with IFRS 16 in order to determine whether they constitute an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership of the related asset, the contract is classified as a finance lease and a finance receivable is recognized to reflect the financing deemed to be granted by the Group to the customer.

Leasing security deposits are presented in this caption and recognized at their nominal value.

See Note 15 “Risks arising from financial instruments” regarding the assessment of counterparty risk.

	Dec. 31, 2024			Dec. 31, 2023		
In millions of euros	Non-current	Current	Total	Non-current	Current	Total
Loans granted to affiliated companies and other debt instruments at amortized cost	914	10,020	10,934	5,021	350	5,371
Other receivables at amortized cost	264	874	1,139	219	648	867
Amounts receivable under concession contracts	2,222	195	2,417	2,349	211	2,559
Amounts receivable under finance leases	310	61	370	435	188	624
TOTAL	**3,711**	**11,150**	**14,861**	**8,024**	**1,397**	**9,421**

Loans granted to affiliated companies and other debt instruments at amortized cost include the cash of the debt instruments held by Synatom, awaiting investment for €9,622 million (€3,777 million at December 31, 2023) (see Note 17.2.4. “Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material”). The change over the period is mainly due to the reinvestment of financial assets earmarked to cover nuclear provisions, the assets of which were previously invested in equity and debt instruments measured at fair value.

Amounts receivable under concession contracts amounted to €2,417 million at December 31, 2024 (€2,559 million at December 31, 2023). They are mainly related to the Novo Estado and Gralha Azul electric power transmission networks in Brazil, as well as Kathu’s Solar Park (RF) Proprietary Trading concession in South-Africa.

Other net gains and losses recognized in the income statement relating to loans and receivables at amortized cost break down as follows:

		Post-acquisition measurement	
In millions of euros	Interest income	Impact of translation adjustments	Expected credit loss
AT DECEMBER 31, 2024	**531**	**1**	**(1)**
At December 31, 2023	280	(35)	(6)

Amounts receivable under finance leases

Finance leases are covered under IFRS 16. They relate to energy purchase and sale contracts where the contract conveys an exclusive right to use a production asset, and certain contracts with industrial customers relating to assets held by the Group.

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Undiscounted future minimum lease payments	1,011	1,006
Unguaranteed residual value accruing to the lessor	54	46
Total gross investment in the lease	**1,065**	**1,052**
UNEARNED FINANCIAL INCOME	**440**	**276**
NET INVESTMENT IN THE LEASE (STATEMENT OF FINANCIAL POSITION)	**624**	**776**
Of which present value of future minimum lease payments	*578*	*733*
Of which present value of unguaranteed residual value	*46*	*43*

Undiscounted minimum lease payments receivable under finance leases can be analyzed as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Year 1	243	222
Years 2 to 5 inclusive	405	360
Beyond year 5	363	423
TOTAL	**1,011**	**1,006**

14.1.2 Trade and other receivables, assets from contracts with customers

Information on trade and other receivables and assets from contracts with customers are provided in Note 7.2. “Trade and other receivables, assets and liabilities from contracts with customers”.

14.1.3 Cash and cash equivalents

ACCOUNTING STANDARDS

This item includes cash equivalents as well as short-term investments that are considered to be readily convertible into a known amount of cash and where the risk of a change in their value is deemed to be negligible based on the criteria set out in IAS 7.

Bank overdrafts are not included in the calculation of cash and cash equivalents and are recorded under “Short-term borrowings”.

At the end of each reporting period, the credit risk of cash and cash equivalent items is subject to a provision calculated in accordance with the expected credit losses model.

“Cash and cash equivalents” totaled €16,928 million at December 31, 2024 (€16,578 million at December 31, 2023). This item comprises standard money market funds with daily liquidity (50%), term deposits with a maturity of less than one month (36%), and deposits with a maturity of less than three months and other products (14%).

This amount included funds related to the green bond issues, which remain unallocated to the funding of eligible projects (see Chapter 5 of the Universal Registration Document).

Gains recognized in respect of “Cash and cash equivalents” amounted to €803 million in 2024 compared to €596 million in 2023.

14.1.4 Transfer of financial assets

At December 31, 2024, the outstanding amount of disposals without recourse of financial assets as part of transactions leading to full derecognition, amounted to approximately €0.5 billion (compared with €1.3 billion at December 31, 2023).

14.1.5 Financial assets and equity instruments pledged as collateral for borrowings and debt

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Financial assets and equity instruments pledged as collateral	3,308	3,685

This item mainly includes the carrying amount of equity instruments and shares pledged as collateral for borrowings and debt, mainly in Brazil.

14.2 Financial liabilities

ACCOUNTING STANDARDS

Borrowings and other financial liabilities are measured at amortized cost using the effective interest rate method.

On initial recognition, any issue or redemption premiums and discounts and issuing costs are added to/deducted from the nominal value of the borrowings concerned. These items are taken into account when calculating the effective interest rate and are therefore recorded in the consolidated income statement over the life of the borrowings using the amortized cost method.

As regards structured debt instruments that do not have an equity component, the Group may be required to separate an "embedded" derivative instrument from its host contract. When an embedded derivative is separated from its host contract, the initial carrying amount of the structured instrument is broken down into an embedded derivative component, corresponding to the fair value of the embedded derivative, and a financial liability component, corresponding to the difference between the amount of the issue and the fair value of the embedded derivative. The separation of components upon initial recognition does not give rise to any gains or losses.

The debt is subsequently recorded at amortized cost using the effective interest method while the derivative is measured at fair value, with changes in fair value recognized in profit or loss.

Financial liabilities are recognized either:

- as "Amortized cost liabilities" for borrowings, trade s and other payables, and other financial liabilities;
- as "Liabilities measured at fair value through profit or loss" for derivative financial instruments and for financial liabilities designated as such.

The following table presents the Group's different financial liabilities at December 31, 2024, broken down into current and non-current items:

		Dec. 31, 2024			Dec. 31, 2023		
In millions of euros	Notes	Non-current	Current	Total	Non-current	Current	Total
Borrowings and debt	14.3	42,880	9,127	52,006	37,920	9,367	47,287
Trade and other payables	14.2	-	19,007	19,007	-	22,976	22,976
Liabilities from contracts with customers	7.2	153	3,818	3,971	93	3,960	4,053
Derivative instruments	14.4	7,695	4,893	12,588	16,755	7,806	24,561
Other financial liabilities		97	-	97	82	-	82
TOTAL		**50,826**	**36,844**	**87,670**	**54,851**	**44,108**	**98,959**

14.2.1 Trade and other payables

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Trade payables	17,966	22,188
Payable on fixed assets	1,041	787
TOTAL	**19,007**	**22,976**

The carrying amount of these financial liabilities represents a reasonable estimate of their fair value.

14.2.2 Liabilities from contracts with customers

Information on liabilities from contracts with customers are provided in Note 7.2. "Trade and other receivables, assets and liabilities from contracts with customers".

14.3 Net financial debt

14.3.1 Net financial debt by type

		Dec. 31, 2024			Dec. 31, 2023		
In millions of euros		Non-current	Current	Total	Non-current	Current	Total
Borrowings and debt	Bond issues	33,341	1,409	34,750	29,217	1,039	30,256
	Bank borrowings	6,003	844	6,847	5,985	763	6,748
	Negotiable commercial paper	-	5,001	5,001	-	5,606	5,606
	Lease liabilities	3,270	473	3,743	2,677	470	3,147
	Other borrowings(1)	266	1,138	1,404	41	1,034	1,074
	Bank overdrafts and current account	-	262	262	-	455	455
	Borrowings and debt	**42,880**	**9,127**	**52,006**	**37,920**	**9,367**	**47,287**
Other financial assets	Other financial assets deducted from net financial debt(2)	(319)	(1,555)	(1,874)	(303)	(1,111)	(1,414)
Cash and cash equivalents	Cash and cash equivalents	-	(16,928)	(16,928)	-	(16,578)	(16,578)
Derivative instruments	Derivatives hedging borrowings(3)	(41)	60	19	177	20	198
NET FINANCIAL DEBT		**42,520**	**(9,296)**	**33,223**	**37,795**	**(8,302)**	**29,493**

(1) This item corresponds to the revaluation of the interest rate component of debt in a qualified fair value hedging relationship for a negative €42 million, margin calls on debt hedging derivatives carried in liabilities for €433 million and the impact of amortized cost for €452 million (compared to, respectively, a negative €41 million, a positive €481 million and a positive €268 million at December 31, 2023).

(2) This item notably corresponds to assets related to financing for €66 million, liquid debt instruments held for cash investment purposes for €1,035 million and margin calls (assets) on derivatives hedging borrowings for €772 million (compared to, respectively, €105 million, €884 million and €425 million at December 31, 2023).

(3) This item represents the interest rate component of the fair value of derivatives hedging borrowings in a designated fair value hedging relationship. It also represents the exchange rate and outstanding accrued interest rate components of the fair value of all debt-related derivatives irrespective of whether or not they qualify as hedges.

The fair value of gross borrowings and debt (excluding lease liabilities) amounted to €46,792 million at December 31, 2024, compared with a carrying amount of €48,143 million.

Financial income and expenses related to borrowings and debt are presented in Note 10 "Net financial income/(loss)".

14.3.2 Reconciliation between net financial debt and cash flow from (used in) financing activities

In millions of euros		Dec. 31, 2023	Cash flow from (used in) financing activities	Cash flow from operating and investing activities and change in cash and cash equivalents	Change in fair value	Translation adjustments	Changes in scope of consolidation and Others	Dec. 31, 2024
Borrowings and debt	Bond issues	30,256	4,083	-	-	(32)	443	34,750
	Bank borrowings	6,748	(170)	-	-	(261)	530	6,847
	Negotiable commercial paper	5,606	(635)	-	-	30	-	5,001
	Lease liabilities(1)(2)	3,147	(461)	-	-	59	998	3,743
	Other borrowings	1,074	2,690	-	383	1	(2,745)	1,404
	Bank overdrafts and current account	455	(2,779)	-	-	(4)	2,591	262
	Borrowings and debt	**47,287**	**2,727**	-	**383**	**(207)**	**1,816**	**52,006**
Other financial assets	Other financial assets deducted from net financial debt	(1,414)	(475)	-	(28)	8	35	(1,874)
Cash and cash equivalents	Cash and cash equivalents	(16,578)	-	(95)	-	8	(263)	(16,928)
Derivative instruments	Derivatives hedging borrowings	198	(338)	-	(57)	217	(1)	19
NET FINANCIAL DEBT		**29,493**	**1,915**	**(95)**	**299**	**26**	**1,587**	**33,223**

(1) *Lease liabilities: the negative amount of €461 million included in the "Cash flow from (used in) financing activities" column corresponds to lease payments, excluding interest (total cash outflow for leases amounted to a negative €544 million, of which €83 million relating to interest).*
(2) *Lease liabilities: the amount of €998 million in the "Changes in scope of consolidation and Other" column corresponds mainly to the recognition of new right-of-use assets, of which those relating to the future ENGIE Campus site as well as new LNG vessel leasing contracts.*

14.3.3 Main events of the period

14.3.3.1 Impact of changes in the scope of consolidation and in exchange rates on net financial debt

In 2024, changes in exchange rates resulted in a +€26 million increase in net financial debt, including a +€504 million increase in relation to the US dollar and a -€558 million decrease in relation to the Brazilian real.

Disposals and acquisitions during 2024 (including the effects of changes in the scope of consolidation) impacted net financial debt by a positive €533 million. This change mainly reflects:

- asset disposals during the period, resulting in a -€882 million decrease in net financial debt (see Note 4.1 "Disposals completed in 2024"), of which the sale in January 2024 of a 15% share held in TAG for €0.4 billion.
- acquisitions carried out in 2024 which increased net financial debt by €1,415 million (see Note 4.2 "Acquisitions completed in 2024"). The main operation includes the acquisition in March 2024 of five photovoltaic complexes in Brazil for €0.6 billion.

14.3.3.2 Financing and refinancing transactions

The Group carried out the following main transactions in 2024:

Entity	Type	Currency	Coupon	Issue date	Maturity date	Outstanding amount *(in millions of currency)*	Outstanding amount *(in millions of euros)*
ISSUES							
ENGIE SA	bonds	€	3.625%	3/6/2024	3/6/2031	600	600
ENGIE SA	green bonds	€	3.875%	3/6/2024	3/6/2036	800	800
ENGIE SA	green bonds	€	4.250%	3/6/2024	3/6/2044	600	600
ENGIE SA	US bonds	$	5.250%	4/10/2024	4/10/2029	750	693
ENGIE SA	US bonds	$	5.625%	4/10/2024	4/10/2034	750	693
ENGIE SA	US bonds	$	5.875%	4/10/2024	4/10/2054	500	462
ENGIE SA	GBP green bonds	£	5.750%	10/28/2024	10/28/2050	500	600
EECL	bonds	$	6.375%	4/17/2024	4/17/2034	500	469
EECL	green bonds	CHF	2.128%	9/26/2024	9/26/2029	190	201
EBE SA	bonds	BRL	12.4974%	6/15/2024	8/15/2029	863	
EBE SA	bonds	BRL	IPCA+6.375%	6/15/2024	6/15/2034	637	514
EBE SA	bonds	BRL	12.2372%	9/25/2024	9/25/2030	1,500	
REIMBURSEMENTS							
ENGIE SA	bonds	JPY	0.535%	9/16/2015	1/16/2024	20,000	122
ENGIE SA	bonds	€	0.875%	3/27/2017	3/27/2024	480	480
ENGIE SA ("GDF SUEZ")	bonds	NOK	4.020%	4/22/2013	4/22/2024	500	44
ENGIE SA ("GDF SUEZ")	bonds	CHF	1.625%	9/10/2012	9/10/2024	175	184
EECL[(1)]	bonds	$	4.5%		1/29/2025	214	198

(1) Out of a total outstanding amount of US$350 million.

14.4 Derivative instruments

ACCOUNTING STANDARDS

Derivative financial instruments are measured at fair value. This fair value is determined on the basis of market data, available from external contributors. In the absence of an external benchmark, a valuation based on internal models recognized by market participants and favoring data directly derived from observable data such as OTC quotations is used.

The change in fair value of derivative financial instruments is recorded in the income statement except when they are designated as hedging instruments in a cash flow hedge or net investment hedge. In this case, changes in the value of the hedging instruments are recognized directly in equity, excluding the ineffective portion of the hedges.

The Group uses derivative financial instruments to manage and reduce its exposure to market risks arising from fluctuations in interest rates, foreign currency exchange rates and commodity prices, mainly for gas and electricity. The use of derivative instruments is governed by a Group policy for managing interest rate, currency and commodity risks (see Note 15 – Risks arising from financial instruments).

Derivative financial instruments are contracts (i) whose value changes in response to the change in one or more observable variables, (ii) that do not require any material initial net investment, and (iii) that are settled at a future date.

Derivative instruments include swaps, options, futures and swaptions, as well as forward commitments to purchase or sell listed and unlisted securities, and firm commitments or options to purchase or sell non-financial assets that involve physical delivery of the underlying.

For purchases and sales of electricity and natural gas, the Group systematically analyzes whether the contract was entered into in the "normal" course of operations and therefore falls outside the scope of IFRS 9. This analysis consists firstly in demonstrating that the contract is entered into and continues to be held for the purpose of physical delivery or receipt of the commodity in accordance with the Group's expected purchase, sale or usage requirements for volumes intended to be used or sold by the Group within a reasonable time frame, as part of its operations.

The second step is to demonstrate that the Group has no practice of settling similar contracts on a net basis and that these contracts are not equivalent to written options. In particular, in the case of electricity and gas sales allowing the buyer a certain degree of flexibility concerning the volumes delivered, the Group distinguishes between contracts that are equivalent to capacity sales considered as transactions falling within the scope of ordinary operations and those that are equivalent to written financial options, which are accounted for as derivative financial instruments.

Only contracts that meet all of the above conditions are considered as falling outside the scope of IFRS 9. Adequate specific documentation is compiled to support this analysis.

Hedging instruments: recognition and presentation

Derivative instruments qualifying as hedging instruments are recognized in the consolidated statement of financial position and measured at fair value. However, their accounting treatment varies according to whether they are classified as (i) a fair value hedge of an asset or liability; (ii) a cash flow hedge, or (iii) a hedge of a net investment in a foreign operation.

Fair value hedges

A fair value hedge is defined as a hedge of the exposure to changes in fair value of a recognized asset or liability such as a fixed-rate loan or borrowing, or of assets, liabilities or an unrecognized firm commitment denominated in a foreign currency.

The gain or loss from remeasuring the hedging instrument at fair value is recognized in profit or loss. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognized in profit or loss even if the hedged item is in a category in respect of which changes in fair value are recognized through other comprehensive income. These two adjustments are presented net in the consolidated income statement, with the net effect corresponding to the ineffective portion of the hedge.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that could affect the Group's income. The hedged cash flows may be attributable to a particular risk associated with a recognized financial or non-financial asset or a highly probable forecast transaction.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income, net of tax, while the ineffective portion is recognized in profit or loss. The gains or losses accumulated in equity are reclassified to the consolidated income statement under the same caption as the loss or gain on the hedged item – i.e., current operating income for operating cash flows and financial income or expenses for other cash flows – in the same periods in which the hedged cash flows affect income.

If the hedging relationship is discontinued, in particular because the hedge is no longer considered effective, the cumulative gain or loss on the hedging instrument remains recognized in equity until the forecast transaction occurs. However, if a forecast transaction is no longer expected to occur, the cumulative gain or loss on the hedging instrument is immediately recognized in profit or loss.

Hedge of a net investment in a foreign operation

In the same way as for a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge of the currency risk is recognized directly in other comprehensive income, net of tax, while the ineffective portion is recognized in profit or loss. The gains or losses accumulated in other comprehensive income are transferred to the consolidated income statement when the investment is liquidated or sold.

Hedging instruments: identification and documentation of hedging relationships

The hedging instruments and hedged items are designated at the inception of the hedging relationship. The hedging relationship is formally documented in each case, specifying the hedging strategy, the hedged risk and the method used to assess hedge effectiveness. Only derivative contracts entered into with external counterparties are considered as being eligible for hedge accounting.

Hedge effectiveness is assessed and documented at the inception of the hedging relationship and on an ongoing basis throughout the periods for which the hedge was designated.

Hedge effectiveness is demonstrated both prospectively and retrospectively using various methods, based mainly on a comparison between changes in fair value or cash flows between the hedging instrument and the hedged item. Methods based on an analysis of statistical correlations between historical price data are also used.

Derivative instruments not qualifying for hedge accounting: recognition and presentation

These items mainly concern derivative financial instruments used in economic hedges that have not been – or are no longer – documented as hedging relationships for accounting purposes.

When a derivative financial instrument does not qualify or no longer qualifies for hedge accounting, changes in fair value are recognized directly in profit or loss under (i) current operating income for derivative instruments with non-financial assets as the underlying, and (ii) financial income or expenses for currency, interest rate and equity derivatives.

Derivative instruments not qualifying for hedge accounting used by the Group in connection with proprietary commodity trading activities and other derivatives expiring in less than 12 months are recognized in the consolidated statement of financial position in current assets and liabilities, while derivatives expiring after this period are classified as non-current items.

Fair value measurement

The fair value of instruments listed on an active market is determined by reference to the market price. In this case, these instruments are presented in level 1 of the fair value hierarchy.

The fair value of unlisted financial instruments for which there is no active market and for which observable market data exist is determined based on valuation techniques such as option pricing models or the discounted cash flow method.

The models used to evaluate these instruments take into account assumptions based on market inputs:

- the fair value of interest rate swaps is calculated based on the present value of future cash flows;
- the fair value of forward foreign exchange contracts and currency swaps is calculated by reference to current prices for contracts with similar maturities by discounting the future cash flow spread (difference between the forward exchange rate under the contract and the forward exchange rate recalculated in line with the new market conditions applicable to the nominal amount);

- the fair value of currency and interest rate options is calculated using option pricing models;
- commodity derivatives are valued by reference to listed market prices based on the present value of future cash flows (commodity swaps or commodity forwards) and option pricing models (options), for which market price volatility may be a factor. Contracts with maturities exceeding the depth of transactions for which prices are observable, or which are particularly complex, may be valued based on internal assumptions;
- exceptionally, for complex contracts negotiated with independent financial institutions, the Group uses the values established by its counterparties.

These instruments are presented in level 2 of the fair value hierarchy except when the evaluation is based mainly on data that are not observable, in which case they are presented in level 3 of the fair value hierarchy. Most often, this is the case for derivatives with a maturity that falls outside the observability period for market data relating to the underlying or when certain inputs such as the volatility of the underlying are not observable.

Except in case of enforceable master netting arrangements or similar agreements, counterparty risk is included in the fair value of financial derivative instrument assets and liabilities. It is calculated according to the “expected loss” method and takes into account the exposure at default, the probability of default and the loss given default. The probability of default is determined on the basis of credit ratings assigned to each counterparty (“historical probability of default” approach).

Offsetting of financial assets and liabilities in the statement of financial position

Financial assets and liabilities are presented net in the statement of financial position when the offsetting criteria of IAS 32 are met. Offsetting relates to instruments entered into with counterparties for which the contractual terms provide for a net settlement of transactions and a collateralization agreement (margin calls). In particular, commodity derivative assets and liabilities are offset for transactions with the same counterparty, in the same currency, by type of commodity and delivery point and with identical maturities.

Derivative instruments recognized in assets and liabilities are measured at fair value and break down as follows:

	Dec. 31, 2024						Dec. 31, 2023					
	Assets			Liabilities			Assets			Liabilities		
In millions of euros	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Derivatives hedging borrowings	472	73	545	431	133	564	279	111	390	457	131	588
Derivatives hedging commodities	4,948	6,577	11,525	5,715	5,887	11,602	10,984	8,344	19,328	15,132	7,516	22,648
Derivatives hedging other items(1)	1,269	79	1,348	1,549	77	1,626	1,501	26	1,526	1,167	159	1,325
TOTAL	**6,689**	**6,730**	**13,418**	**7,695**	**6,096**	**13,792**	**12,764**	**8,481**	**21,245**	**16,755**	**7,806**	**24,561**

(1) Derivatives hedging other items mainly include the interest rate component of interest rate derivatives (not qualifying as hedges or qualifying as cash flow hedges) that are excluded from net financial debt, as well as net investment hedge derivatives.

The net amount of derivatives hedging commodities recognized in the statement of financial position is measured after taking into account offsetting agreements that meet the criteria set out in paragraph 42 of IAS 32. This offsetting generated balance sheet effects of around €3.4 billion in 2024 and mainly concerned OTC derivatives concluded with counterparties for which the contractual terms provide for a net settlement of the transactions as well as a collateralization agreement (margin calls).

The balance of derivative hedging commodities is lower than at December 31, 2023 due to the return to normal levels of commodity prices in 2024. Most of these derivatives mature in 2025 and 2026.

14.4.1 Offsetting of derivative instrument assets and liabilities

The net amount of derivative instruments after taking into account enforceable master netting arrangements or similar agreements, whether or not they are offset in accordance with paragraph 42 of IAS 32, is presented in the table below:

In millions of euros		Dec. 31, 2024 Gross amount	Dec. 31, 2024 Net amount recognized in the statement of financial position[(1)]	Dec. 31, 2024 Other offsetting agreements[(2)]	Dec. 31, 2024 Total net amount	Dec. 31, 2023 Gross amount	Dec. 31, 2023 Net amount recognized in the statement of financial position[(1)]	Dec. 31, 2023 Other offsetting agreements[(2)]	Dec. 31, 2023 Total net amount
Assets	Derivatives hedging commodities	14,924	11,525	(2,509)	9,016	28,522	19,328	(4,927)	14,401
	Derivatives hedging borrowings and other items	1,893	1,893	(132)	1,761	1,917	1,917	(469)	1,448
Liabilities	Derivatives hedging commodities	(15,000)	(11,602)	1,332	(10,270)	(31,843)	(22,648)	3,898	(18,750)
	Derivatives hedging borrowings and other items	(2,190)	(2,190)	605	(1,584)	(1,913)	(1,913)	415	(1,498)

(1) Net amount recognized in the statement of financial position after taking into account offsetting agreements that meet the criteria set out in paragraph 42 of IAS 32. This offsetting mainly concerns OTC derivatives entered into with counterparties for which the contractual terms provide for a net settlement of the transactions as well as a collateralization agreement (margin calls).

(2) Other offsetting agreements include collateral and other guarantee instruments, as well as offsetting agreements that do not meet the criteria set out in paragraph 42 of IAS 32.

14.5 Fair value of financial instruments by level in the fair value hierarchy

14.5.1 Financial assets

The table below shows the allocation of financial instruments carried in assets to the different levels in the fair value hierarchy:

In millions of euros	Dec. 31, 2024 Total	Dec. 31, 2024 Level 1	Dec. 31, 2024 Level 2	Dec. 31, 2024 Level 3	Dec. 31, 2023 Total	Dec. 31, 2023 Level 1	Dec. 31, 2023 Level 2	Dec. 31, 2023 Level 3
Other financial assets (excluding loans and receivables at amortized cost)	4,796	3,285	-	1,511	7,552	6,189	-	1,363
Equity instruments at fair value through other comprehensive income	*903*	*653*	*-*	*250*	*1,902*	*1,653*	*-*	*249*
Equity instruments at fair value through profit or loss	*226*	*-*	*-*	*226*	*222*	*-*	*-*	*222*
Debt instruments at fair value through other comprehensive income	*1,438*	*1,438*	*-*	*-*	*1,873*	*1,873*	*-*	*-*
Debt instruments at fair value through profit or loss	*2,229*	*1,195*	*-*	*1,034*	*3,555*	*2,663*	*-*	*891*
Derivative instruments	13,418	47	11,975	1,397	21,245	43	20,087	1,114
Derivatives hedging borrowings	*545*	*-*	*545*	*-*	*390*	*-*	*390*	*-*
Derivatives hedging commodities – relating to portfolio management activities[(1)]	*7,526*	*-*	*6,905*	*620*	*16,614*	*-*	*16,263*	*351*
Derivatives hedging commodities – relating to trading activities[(1)]	*4,000*	*47*	*3,176*	*776*	*2,714*	*43*	*1,907*	*764*
Derivatives hedging other items	*1,348*	*-*	*1,348*	*-*	*1,526*	*-*	*1,526*	*-*
TOTAL	**18,214**	**3,332**	**11,975**	**2,908**	**28,796**	**6,232**	**20,087**	**2,477**

(1) Derivative financial instruments relating to commodities classified in level 3 mainly include long-term gas supply contracts and electricity contracts measured at fair value through profit or loss.

A definition of these three levels is presented in Note 14.4 “Derivative instruments”.

Other financial assets (excluding loans and receivables at amortized cost)

Changes in level 3 equity and debt instruments at fair value can be analyzed as follows:

In millions of euros	Equity instruments at fair value through other comprehensive income	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through profit or loss	Debt instruments at fair value through profit or loss	Other financial assets (excluding loans and receivables at amortized cost)
AT DECEMBER 31, 2023	**249**	-	**222**	**891**	**1,363**
Acquisitions	12	-	76	280	367
Disposals	(2)	(1)	(47)	(192)	(242)
Changes in fair value	4	-	(23)	24	6
Changes in scope of consolidation, translation adjustments and other	(13)	1	(2)	31	16
AT DECEMBER 31, 2024	**250**	-	**226**	**1,034**	**1,511**
Gains/(losses) recorded in income relating to instruments held at the end of the period					(30)

Derivative instruments

Changes in level 3 commodity derivatives can be analyzed as follows:

In millions of euros	Net Asset/(Liability)
AT DECEMBER 31, 2023	**(1,188)**
Changes in fair value recorded in income	500
Settlements	314
Transfer from level 3 to levels 1 and 2	77
Net fair value recorded in income	**(297)**
Deferred Day-One gains/(losses)	3
AT DECEMBER 31, 2024	**(295)**

14.5.2 Financial liabilities

The table below shows the allocation of financial instruments carried in liabilities to the different levels in the fair value hierarchy:

	Dec. 31, 2024				Dec. 31, 2023			
In millions of euros	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Borrowings used in designated fair value hedges	9,555	-	9,555	-	5,755	-	5,755	-
Borrowings not used in designated fair value hedges	37,237	23,711	13,527	-	37,239	23,251	13,988	-
Derivative instruments	13,792	30	12,071	1,691	24,561	112	22,063	2,385
Derivatives hedging borrowings	564	-	564	-	588	-	588	-
Derivatives hedging commodities – relating to portfolio management activities[(1)]	8,114	-	7,094	1,020	20,933	-	20,081	852
Derivatives hedging commodities – relating to trading activities[(1)]	3,488	30	2,787	671	1,715	112	70	1,533
Derivatives hedging other items	1,626	-	1,626	-	1,325	-	1,325	-
TOTAL	**60,584**	**23,740**	**35,152**	**1,691**	**67,555**	**23,363**	**41,806**	**2,385**

(1) Derivative financial instruments relating to commodities classified in level 3 mainly include long-term gas supply contracts and electricity contracts measured at fair value through profit or loss.

A definition of these three levels is presented in Note 14.4 “Derivative instruments”.

Borrowings used in designated fair value hedges

This caption includes bonds in a designated fair value hedging relationship, which are presented in level 2 in the above table. Only the interest rate component of the bonds is remeasured, with fair value determined by reference to observable inputs.

Borrowings not used in designated fair value hedges

Listed bond issues are included in level 1.

Other borrowings not used in a designated hedging relationship, are presented in level 2 in the above table. The fair value of these borrowings is determined on the basis of future discounted cash flows and relies on directly or indirectly observable data.

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group mainly uses derivative instruments to manage its exposure to market risks. Financial risk management procedures are set out in Chapter 2 “Risk factors” of the Universal Registration Document.

15.1 Market risks

15.1.1 Commodity risk

Commodity risk arises primarily from the following activities:

- portfolio management; and
- trading.

The Group has primarily identified two types of commodity risks: price risk resulting from fluctuations in market prices, and volume risk inherent to the business.

In the ordinary course of its operations, the Group is exposed to commodity risks, mainly on natural gas and electricity.

15.1.1.1 Portfolio management activities

Portfolio management seeks to optimize the market value of assets (power plants, gas supply contracts, energy sales and gas storage by pump and battery and transportation) over various timeframes (short-, medium- and long-term). Market value is optimized by:

- guaranteeing supply and ensuring the balance between physical needs and resources;
- managing market risks (price, volume) to unlock optimum value from portfolios within a specific risk framework.

The risk framework aims to safeguard the Group’s financial resources over the budget period and smooth out medium-term earnings (over three or five years, depending on the maturity of each market). It encourages portfolio managers to take out economic hedges on their portfolio.

Sensitivities of the commodity-related derivatives portfolio used as part of the portfolio management activities at December 31, 2024 are detailed in the table below. These sensitivities have been established in the current uncertain context.

These assumptions do not constitute an estimate of future market prices and are not representative of future changes in consolidated earnings and equity, insofar as they do not include the sensitivities relating to the purchase and sale contracts for the underlying commodities, which are not recognized at fair value.

SENSITIVITY ANALYSIS[(1)]

		Dec. 31, 2024		Dec. 31, 2023	
In millions of euros	Changes in price	Pre-tax impact on income	Pre-tax impact on equity	Pre-tax impact on income	Pre-tax impact on equity
Oil-based products	+USD 10/bbl	-	42	-	64
Natural gas – Europe	-€10/MWh	(284)	(957)	(411)	(1,288)
Natural gas – Europe	+€10/MWh	278	957	398	1,288
Natural gas – Rest of the world	+€3/MWh	28	199	37	138
Electricity – Europe	-€20/MWh	65	(598)	(353)	338
Electricity – Europe	+€20/MWh	(65)	598	353	(338)
Electricity – Rest of the world	+€5/MWh	(448)	-	(166)	-
Greenhouse gas emission rights	+€2/ton	29	4	12	9
EUR/USD	+10%	75	(183)	(40)	(111)
EUR/GBP	+10%	(1)	-	66	-

(1) The sensitivities shown above apply solely to financial commodity derivatives used for hedging purposes as part of the portfolio management activities.

15.1.1.2 Trading activities

Revenues from trading activities totaled €2,253 million in 2024 (€3,441 million in 2023).

The Group's trading activities are primarily conducted within:

- ENGIE Global Markets. Its role is to manage the risks of the physical and financial energy portfolio for the Group or external customers, providing them with access to the market and implementing customized hedging strategies;
- ENGIE SA mainly for the optimization of part of its long-term gas supply contracts.

These entities operate on organized or OTC markets in derivative instruments such as futures, forwards, swaps, or options. Exposure to trading activities is strictly controlled by daily monitoring of compliance with Value at Risk (VaR) limits.

The use of VaR to quantify market risk arising from trading activities provides a transversal measure of risk, taking all markets and products into account. VaR represents the maximum potential loss on a portfolio over a specified holding period based on a given confidence interval. It is not an indication of expected results but is back-tested on a regular basis.

The Group uses a one-day holding period and a 99% confidence interval to calculate VaR, as well as stress tests, in accordance with banking regulatory requirements.

The VaR shown below corresponds to the global VaR of the Group's entities with trading activities.

VALUE AT RISK

In millions of euros	Dec. 31, 2024	2024 average[1]	2024 maximum[2]	2024 minimum[2]	2023 average[1]
Trading activities	7	13	27	5	15

(1) Average daily VaR.
(2) Maximum and minimum daily VaR observed in 2024.

VaR limits are set within the framework of Group governance, which was strengthened since the beginning of the crisis to take into account the more volatile market environment. The minimum and the maximum, in 2024, are to be compared respectively with €4 million and with €39 million in 2023.

The continuous monitoring of market risks and the strict application of these measures have enabled the Group to perform its trading activities in a supervised environment during the year.

15.1.2 Hedges of commodity risks

Hedging instruments and sources of hedge ineffectiveness

The Group enters into cash flow hedges, using derivative instruments (firm or option contracts) contracted over the counter or on organized markets, to reduce its commodity risks, which relate mainly to future cash flows from contracted or expected sales and purchases of commodities.

These instruments may be settled net or involve physical delivery of the underlying.

Sources of hedge ineffectiveness are mainly related to uncertainty regarding the timing and potential mismatches in settlement dates, and, in a context of volatile commodity market prices, indices between the derivative instruments and the associated underlying exposures.

The fair values of commodity derivatives are indicated in the table below:

	Dec. 31, 2024				Dec. 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
In millions of euros	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Derivative instruments relating to portfolio management activities	4,948	2,577	(5,715)	(2,399)	10,984	5,630	(15,132)	(5,801)
Cash flow hedges	*520*	*1,570*	*(575)*	*(811)*	*1,648*	*4,268*	*(2,321)*	*(5,782)*
Other derivative instruments	*4,428*	*1,007*	*(5,140)*	*(1,588)*	*9,336*	*1,362*	*(12,811)*	*(19)*
Derivative instruments relating to trading activities	-	4,000	-	(3,488)	-	2,714	-	(1,715)
TOTAL	**4,948**	**6,577**	**(5,715)**	**(5,887)**	**10,984**	**8,344**	**(15,132)**	**(7,516)**

The fair values shown in the table above reflect the amounts for which assets could be exchanged, or liabilities settled, at the end of the reporting period. They are not representative of an operational performance measure insofar as positions (i) are sensitive to changes in prices, (ii) can be modified by subsequent transactions, and (iii) will be offset by future cash flows arising on the underlying hedged transactions.

15.1.2.1 Cash flow hedges

The fair values of cash flow hedges by type of commodity are as follows:

In millions of euros	Dec. 31, 2024				Dec. 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Natural gas	313	1,014	(277)	(516)	760	1,848	(1,052)	(2,733)
Electricity	199	251	(297)	(69)	660	2,081	(1,057)	(2,664)
Oil	-	304	-	(225)	227	338	(211)	(384)
Other(1)	8	1	(1)	(1)	1	1	(1)	(1)
TOTAL	**520**	**1,570**	**(575)**	**(811)**	**1,648**	**4,268**	**(2,321)**	**(5,782)**

(1) Mainly includes foreign currency hedges on commodities.

NOTIONAL AMOUNTS (NET)(1)

	Unit	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024
Natural gas	*GWh*	115,535	29,444	5,460	(9,518)	(16,007)	(30)	124,884
Electricity	*GWh*	7,184	8,952	6,242	2,027	71	-	24,476
Oil-based products	*Thousands of barrels*	(11,191)	-	-	-	-	-	(11,191)
Forex	*Millions of euros*	-	-	-	-	-	-	-
Greenhouse gas emission rights	*Thousands of tons*	(141)	(207)	32	52	20	-	(244)

(1) Long/(short) position.

EFFECTS OF HEDGE ACCOUNTING ON THE GROUP'S FINANCIAL POSITION AND PERFORMANCE

In millions of euros	Dec. 31, 2024				Dec. 31, 2023	
	Fair value			Nominal	Fair value	Nominal
	Assets	Liabilities	Total	Total	Total	Total
Cash flow hedges	2,091	(1,386)	705	4,885	(2,187)	10,553
TOTAL	**2,091**	**(1,386)**	**705**	**4,885**	**(2,187)**	**10,553**

The fair values shown in the table above are positive for assets and negative for liabilities.

In millions of euros		Nominal amount	Fair Value	Change in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in other comprehensive income(1)	Ineffective portion recognized in profit or loss(1)	Amount reclassified from the hedge reserve to profit or loss(1)	Line item of the income statement
Cash flow hedges	Hedging instruments	4,885	705		675	(330)	3,587	Current operating income
	Hedged items			4,835				

(1) Gains/(losses).

Hedge inefficiency is calculated based on the change in fair value of the hedging instrument compared to the change in fair value of the hedged items since inception of the hedging relationship. The fair value of the hedging instruments at December 31, 2024 reflects the cumulative change in fair value of the hedging instruments since their inception.

MATURITY OF COMMODITY DERIVATIVES DESIGNATED AS CASH FLOW HEDGES

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Dec. 31, 2024	Dec. 31, 2023
Fair value of derivatives by maturity	607	104	(8)	1	7	(6)	705	(2,187)

AMOUNTS PRESENTED IN THE STATEMENT OF CHANGES IN EQUITY AND THE STATEMENT OF COMPREHENSIVE INCOME

The following table provides a reconciliation of each component of equity and an analysis of other comprehensive income:

	Cash flow hedges
In millions of euros	Derivatives hedging commodities
AT DECEMBER 31, 2023	**(3,852)**
Effective portion recognized in equity	675
Amount reclassified from hedge reserve to profit or loss	3,587
Translation adjustments	-
Changes in scope of consolidation and other	-
AT DECEMBER 31, 2024	**409**

15.1.2.2 Other commodity derivatives

Other commodity derivatives include:

- commodity purchase and sale contracts that were not entered into or are no longer held for the purpose of the receipt or delivery of commodities in accordance with the Group's expected purchase, sale or usage requirements;
- embedded derivatives; and
- derivative financial instruments that are not eligible for hedge accounting in accordance with IFRS 9 or for which the Group has elected not to apply hedge accounting.

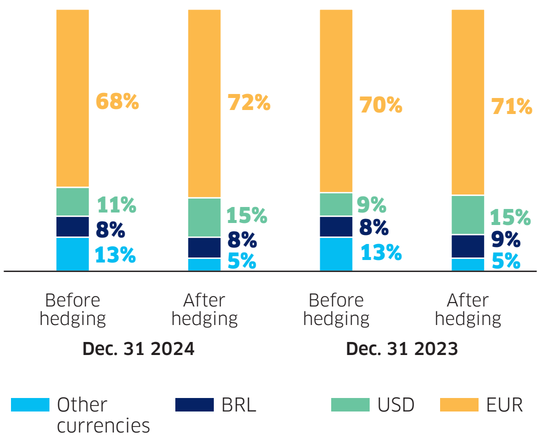
15.1.3 Currency risk

The Group is exposed to currency risk, defined as the impact on its statement of financial position and income statement of fluctuations in exchange rates affecting its operating and financing activities. Currency risk comprises (i) transaction risk arising in the ordinary course of business, (ii) specific transaction risk related to investments, mergers and acquisitions or disposal projects, and (iii) translation risk arising from the conversion into euros of income statement and statement of financial position items from subsidiaries with a functional currency other than the euro. The main translation risk exposures correspond to assets in US dollars, Brazilian real and pounds sterling.

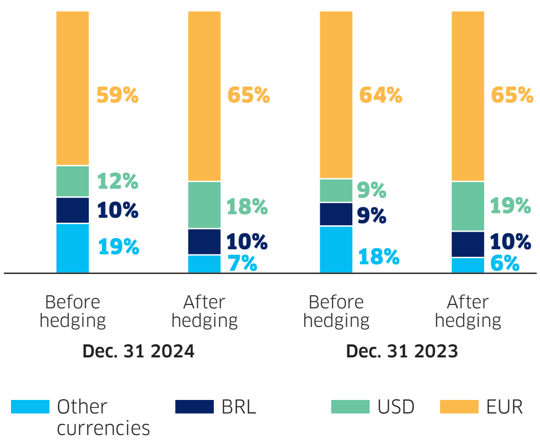
15.1.3.1 Analysis of financial instruments by currency

The following tables present a breakdown by currency of outstanding borrowings and debt and net financial debt, before and after hedging:

OUTSTANDING BORROWINGS



NET FINANCIAL DEBT



15.1.3.2 Currency risk sensitivity analysis

A sensitivity analysis to currency risk on financial income/(loss) – excluding the income statement translation impact of foreign subsidiaries – was performed based on all financial instruments managed by the Treasury Department and representing a currency risk (including derivative financial instruments).

A sensitivity analysis to currency risk on equity was performed based on all financial instruments qualified as net investment hedges at the reporting date.

For currency risk, sensitivity corresponds to a 10% rise or fall in exchange rates of foreign currencies against the euro compared to closing rates.

	Dec. 31, 2024			
	Impact on income		Impact on equity	
In millions of euros	+10%(1)	-10%(1)	+10%(1)	-10%(1)
Exposures denominated in a currency other than the functional currency of companies carrying the liabilities on their statements of financial position(2)	(6)	6	N/A	N/A
Financial instruments (debt and derivatives) qualified as net investment hedges(3)	N/A	N/A	673	(673)

(1) +(-)10%: depreciation (appreciation) of 10% of all foreign currencies against the euro.
(2) Excluding derivatives qualified as net investment hedges.
(3) This impact is offset by the change in the net investment hedged.

15.1.4 Interest rate risk

The Group seeks to manage its borrowing costs by limiting the impact of interest rate fluctuations on its income statement. The Group's policy is therefore to arbitrate between fixed rates, floating rates and capped floating rates for its net financial debt. The interest rate mix may shift within a range defined by Group Management in line with market trends.

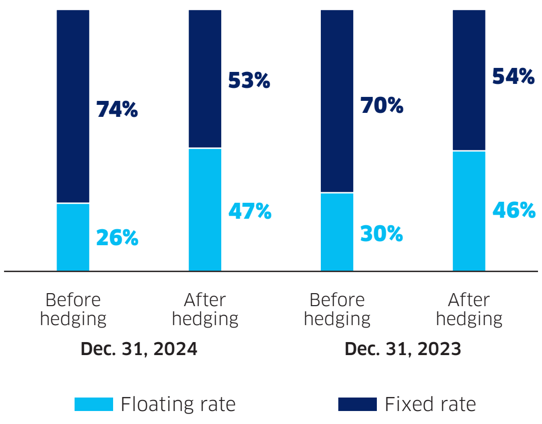
In order to manage the interest rate structure for its net debt, the Group uses hedging instruments, particularly interest rate swaps and options.

The Group also uses forward interest rate pre-hedges to protect the refinancing rate of part of its debt.

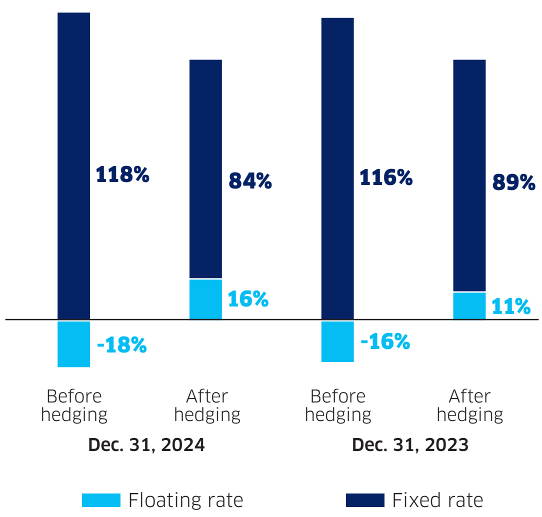
15.1.4.1 Analysis of financial instruments by type of interest rate

The following tables present a breakdown by type of interest rate of outstanding borrowings and debt and net financial debt before and after hedging:

OUTSTANDING BORROWINGS



NET FINANCIAL DEBT



15.1.4.2 Interest rate risk sensitivity analysis

Sensitivity was analyzed based on the Group's net financial debt position (including the impact of interest rate and foreign currency derivatives relating to net debt) at the reporting date.

For interest rate risk, sensitivity corresponds to a 100-basis-point rise or fall in the yield curve compared to year-end interest rates.

In millions of euros	Dec. 31, 2024			
	Impact on income		Impact on equity	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Net interest expense on floating-rate net debt (nominal amount) and on floating-rate leg of derivatives	(46)	46	N/A	N/A
Change in fair value of derivatives not qualifying as hedges	17	(17)	N/A	N/A
Change in fair value of derivatives qualifying as cash flow hedges	N/A	N/A	47	(167)

15.1.5 Currency and interest rate hedges

15.1.5.1 Currency risk management

Foreign currency exchange risk (or "FX" risk) is managed based on a policy approved by Group Management. The policy distinguishes between the three following main sources of currency risk:

- **regular transaction risk**

  FX risks related to operational activities are systematically hedged when the related cash flows are certain, with a hedging horizon that corresponds at least to the medium-term plan horizon. For cash flows that are not certain, in their entirety, the hedge is initially based on a "no regret" volume.

  For FX risks related to financial activities, all significant exposures related to cash, financial debt, etc. are systematically hedged;
- **project transaction risk**

  Management of these FX risks (i.e. investment projects, acquisitions, disposals and other restructuring projects) takes into account the likelihood of the risk's occurrence and its evolution, as well as the availability of hedging instruments and their associated cost;
- **translation risk**

  The relevance of hedging this translation risk (i.e. risk on a net asset whose functional currency is not the euro) is assessed regularly for each currency (as a minimum) or each set of assets in the same currency, taking into account notably the value of the assets and the hedging costs.

Hedging instruments and sources of hedge ineffectiveness

The Group principally uses the following instruments:

- derivative instruments: these mostly correspond to over-the-counter contracts and include FX forward transactions, FX swaps, currency swaps, cross currency swaps, plain vanilla FX options or combinations (calls, puts or collars);
- monetary items such as debt, cash and loans.

Sources of hedge ineffectiveness are mainly related to uncertainty regarding the timing and in some cases the amount of the future cash flows in foreign currency that are being hedged.

15.1.5.2 Interest rate risk management

The Group is exposed to interest rate risk through its financing and investing activities. Interest rate risk is defined as a financial risk resulting from fluctuations in base interest rates that may increase the cost of debt and affect the viability of investments. Base interest rates are market interest rates, such as EURIBOR, SOFR, etc., that do not include the borrower's credit spread.

The two main sources of interest rate risk are as follows:

- **interest rate risk relating to Group net debt**

  Interest rate risk is actively managed by monitoring changes in market rates and their impact on the Group's gross and net debt;
- **project interest rate risk**

  The interest rate risk management for specific projects (i.e. investment projects, acquisitions, disposals and other restructuring projects) is implemented, on the basis of a number of factors including the likelihood of completion, the availability of hedging instruments and their associated cost.

Hedging instruments and sources of hedge ineffectiveness

The Group principally uses the following instruments:

- derivative instruments: these mostly correspond to over-the-counter contracts that are used to manage base interest rates. Such instruments include:
  - swaps, to change the nature of interest payments on debts, typically from fixed to floating rates or vice versa,
  - plain vanilla interest rate options;
- caps, floors and collars that allow the impact of interest rate fluctuations to be limited by setting minimum and/or maximum limits on floating interest rates.

Sources of hedge ineffectiveness are mainly related to changes in the credit quality of the counterparties and related charges, as well as potential gaps in settlement dates and in indices between the derivative instruments and the related underlying exposures.

15.1.5.3 Currency and interest rate hedges

The Group has elected to apply hedge accounting (cash flow hedges, fair value hedges and net investment hedges) whenever possible and suitable, and also manages a portfolio of undesignated derivatives, corresponding to economic hedges relating to net financial debt and foreign currency exposures.

Net investment hedging instruments are mainly FX swaps, forwards and cross-currency swaps, but also debt denominated in foreign currencies.

The fair values of derivatives (excluding commodity instruments) are indicated in the table below:

	Dec. 31, 2024				Dec. 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
In millions of euros	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Derivatives hedging borrowings	472	73	(431)	(133)	279	111	(457)	(131)
Fair value hedges	*273*	*48*	*(318)*	*(36)*	*190*	*43*	*(289)*	*(21)*
Cash flow hedges	*147*	*3*	*(66)*	*(9)*	*43*	*-*	*(120)*	*(45)*
Derivative instruments not qualifying for hedge accounting	*52*	*22*	*(46)*	*(88)*	*47*	*68*	*(48)*	*(66)*
Derivatives hedging other items	1,269	79	(1,549)	(77)	1,501	26	(1,167)	(159)
Cash flow hedges	*205*	*30*	*(739)*	*(23)*	*189*	*2*	*(351)*	*(91)*
Net investment hedges	*37*	*-*	*(115)*	*-*	*180*	*-*	*(1)*	*-*
Derivative instruments not qualifying for hedge accounting	*1,027*	*49*	*(696)*	*(54)*	*1,131*	*23*	*(815)*	*(67)*
TOTAL	**1,741**	**152**	**(1,980)**	**(209)**	**1,780**	**137**	**(1,623)**	**(290)**

The fair values shown in the table above reflect the amounts relating to the price that would be received for the sale of an asset or paid for the transfer of a liability between market participants in the normal course of business. They are not representative of an operational performance measurement insofar as the positions (i) are sensitive to changes in prices or to changes in credit ratings, (ii) can be modified by subsequent transactions, and (iii) will be offset, for cash flow hedges, by future cash flows arising on the underlying hedged transactions.

Amounts, timing and uncertainty of future cash flows

In millions of euros Buy/Sell	Interest rate type	Derivative instrument type	Currency	Total	2025	2026	2027	2028	2029	Beyond 5 years
Buy	Fixed	CCS	USD	(755)	(45)	(99)	-	(226)	(48)	(337)
			GBP	(2,714)	-	-	-	(603)	-	(2,111)
			EUR	(553)	-	-	-	(222)	-	(331)
			CHF	(643)	-	-	(202)	-	(202)	(239)
			HKD	(285)	-	-	(112)	-	-	(174)
			PEN	(188)	-	(64)	(65)	(59)	-	-
			AUD	(119)	(69)	-	-	-	-	(51)
	Floating	CCS	CNH	(221)	-	-	(28)	(111)	(83)	-
Sell	Fixed	CCS	EUR	4,093	75	-	125	968	125	2,799
			USD	995	-	73	74	294	217	337
	Floating	CCS	EUR	195	-	-	195	-	-	-
			BRL	121	39	82	-	-	-	-

In millions of euros Buy/Sell	Interest rate type	Derivative instrument type	Currency	Total	2025	2026	2027	2028	2029	Beyond 5 years
Sell	Fixed	IRS	EUR	10,979	813	1,247	378	(94)	72	8,562
			MYR	66	4	4	4	4	4	47
			USD	1,518	42	775	253	38	76	334
			ZAR	177	39	7	9	10	12	100
	Floating	IRS	BRL	515	-	-	-	49	133	332
			EUR	21,105	4,467	1,950	800	138	300	13,450
			GBP	302	-	-	-	-	-	302
			USD	963	-	-	-	-	481	481

The tables presented above exclude currency derivatives (except for cross currency swaps – CCS). Their maturity dates are aligned with those of the hedged items.

Pursuant to the FX and interest rate risk management policy, FX sensitivity is presented in Note 15.1.3.2 “Currency risk sensitivity analysis” and the average cost of gross debt is 4.6% as presented in Note 10 “Net financial income/(loss)”.

Effects of hedge accounting on the Group’s financial position and performance

Currency derivatives

	Dec. 31, 2024				Dec. 31, 2023	
	Fair value			Nominal amount	Fair value	Nominal amount
In millions of euros	Assets	Liabilities	Total	Total	Total	Total
Cash flow hedges	193	(803)	(611)	4,256	(530)	4,708
Net investment hedges	37	(115)	(78)	5,531	179	5,596
Derivative instruments not qualifying for hedge accounting	48	(146)	(65)	13,026	16	12,086
TOTAL	**278**	**(1,064)**	**(753)**	**22,813**	**(335)**	**22,391**

Interest rate derivatives

	Dec. 31, 2024				Dec. 31, 2023	
	Fair value			Nominal amount	Fair value	Nominal amount
In millions of euros	Assets	Liabilities	Total	Total	Total	Total
Fair value hedges	321	(354)	(33)	12,020	(77)	7,975
Cash flow hedges	193	(35)	140	2,928	158	3,399
Derivative instruments not qualifying for hedge accounting	1,102	(737)	390	26,081	258	25,438
TOTAL	**1,616**	**(1,126)**	**497**	**41,029**	**339**	**36,812**

The fair values shown in the table above are positive for assets and negative for liabilities.

In millions of euros		Nominal amount	Fair value[1]	Change in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in other comprehensive income[2]	Ineffective portion recognized in profit or loss[2]	Amount reclassified from the hedge reserve to profit or loss[2]	Line item of the income statement
Fair value hedges	Hedging instruments	12,020	(33)	(33)	-	16	N/A	Cost of net debt
	Hedged items[3][4]	9,422	(42)	3,800	N/A		N/A	
Cash flow hedges	Hedging instruments	7,184	(470)	(523)	308	4	(35)	Other financial income and expenses/Current operating income including operating MtM
	Hedged items			525				

In millions of euros		Nominal amount	Fair value(1)	Change in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in other comprehensive income(2)	Ineffective portion recognized in profit or loss(2)	Amount reclassified from the hedge reserve to profit or loss(2)	Line item of the income statement
Net investment hedges	Hedging instruments	5,531	(78)	(58)	303	NA	(38)	Other financial income and expenses/Current operating income including operating MtM
	Hedged items			58				

(1) The adjustment of the fair value of hedged items is presented as long term and short-term borrowings and debt for a negative amount of €33 million.
(2) Gains/(losses).
(3) The difference between the fair value used to determine the ineffective portion relating to hedging instruments and that relating to the hedged items corresponds to the amortized cost of borrowings and debt that are part of a fair value hedge relationship.
(4) Of which €23 million relating to hedging items that are no longer adjusted as a result of discontinuation of the fair value hedge relationship.

Hedge inefficiency is calculated based on the change in the fair value of the hedging instrument compared to the change in the fair value of the hedged items since inception of the hedging relationship. The fair value of the hedging instruments at December 31, 2024 reflects the cumulative change in their fair value since inception of the hedges. The same principle applies to the hedged items.

No significant impact in terms of ineffectiveness or discontinuation of certain hedges was recognized at December 31, 2024.

Foreign currency and interest rate derivatives designated as cash flow hedges can be analyzed as follows by maturity

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Fair value of derivatives by maturity date	19	27	17	(78)	8	(463)	(470)	(371)

Amounts presented in the statement of changes in equity and the statement of comprehensive income

The following table provides a reconciliation of each component of equity and an analysis of other comprehensive income:

	Cash flow hedges			Net investment hedges
In millions of euros	Derivatives hedging borrowings – currency risk hedging(1)	Derivatives hedging other items – interest rate risk hedging(1)(3)	Derivatives hedging other items – currency risk hedging(2)	Derivatives hedging other items – currency risk hedging(2)(4)
AT DECEMBER 31, 2023	**45**	**97**	**14**	**(238)**
Effective portion recognized in equity		(389)	81	(303)
Amount reclassified from the hedge reserve to profit or loss		35	-	38
Translation adjustments	-	-	-	-
Changes in scope of consolidation and other	(1)	4	-	-
AT DECEMBER 31, 2024	**44**	**(254)**	**95**	**(502)**

(1) Cash flow hedges for given periods.
(2) Cash flow hedges for given transactions.
(3) Comprises a positive €313 million of cumulated reserves related to hedge transactions (a positive €275 million at December 31, 2023) for which hedge accounting has been discontinued (instruments canceled prior to their maturity).
(4) All of the reserves relate to continuing hedging relationships.

15.2 Counterparty risk

Due to its financial and operational activities, the Group is exposed to the risk of default of its counterparties (customers, suppliers, EPC contractors, partners, intermediaries, and banks). Default could affect payments, delivery of goods and/or asset performance.

Depending on the nature of the business, the Group is exposed to different types of counterparty risk. As a result some businesses use collateral instruments – particularly the Energy Management business, where the use of margin calls and other types of financial collateral (standardized legal framework) is a market standard. In addition, other businesses may request guarantees from their counterparties in certain cases (parent company guarantees, bank guarantees, etc.).

Under IFRS 9, the Group has defined and applied a Group-wide methodology, which includes two different approaches:

- a portfolio approach, whereby the Group determines that:
  - coherent customer portfolios and sub-portfolios have to be considered (i.e., portfolios that have comparable credit risk and/or comparable payment behavior) depending on the type of counterparty (public or private; domestic or BtoB), geographical location, type of activity, etc.,
  - impairment rates must be determined based on historical aging balances and, when correlation is proven and documentation possible, historical data must be adjusted by forward-looking elements; and
- an individualized approach for significant counterparties, for which the Group has set rules for defining the stage of the concerned asset for Expected Credit Loss (ECL) calculations:
  - stage 1: financial assets that have not deteriorated significantly since initial recognition (ECL calculated on a 12-month rolling basis),
  - stage 2: financial assets for which the credit risk has significantly increased (ECL calculated on a lifetime basis). The reclassification from stage 1 to stage 2 is based on the analysis of different criteria, notably (i) a significant downgrade in the creditworthiness of a counterparty and/or its parent company (if any), (ii) a significant adverse change in the regulatory environment, (iii) changes in political or country-related risk.

    Regarding financial assets that are more than 30 days past due, the move to stage 2 is not systematically applied as long as the Group has reasonable and verifiable information that demonstrates that, even if payments become more than 30 days past due, this does not represent a significant increase in the credit risk since initial recognition.
  - stage 3: assets for which default has already been observed (significant and ongoing financial difficulty of the counterparty, possible failure in credit support from a parent company legal proceedings initiated for non-payment, etc.).

    Regarding financial assets that are more than 90 days past due, the presumption can be rebutted if the Group has reasonable and supportable information that demonstrates that even if payments become more than 90 days past due, this does not indicate counterparty default.

The ECL formula applicable in stages 1 and 2 is ECL = EAD x PD x LGD, where:

- for 12-month ECL, Exposure At Default (EAD) equals the carrying amount of the financial asset, to which the relevant Probability of Default (PD) and the Loss Given Default (LGD) are applied;
- for lifetime ECL, the calculation method consists in identifying changes in exposure for each year, especially the expected timing and amount of the contractual repayments, then applying to each repayment the relevant PD and the LGD, and discounting the figures obtained. ECL is then the sum of the discounted figures; and
- probability of default: information is based on external data from a reputable rating agency. The PD depends on the time horizon and of the rating of the counterparty. The Group uses external ratings if they are available. ENGIE's credit risk experts determine an internal rating for major counterparties with no external rating.

LGD levels are notably based on Basel standards:

- 75% for subordinated assets; and
- 45% for standard assets.

For assets considered to be of strategic importance for the counterparty, such as essential public services or goods, LGD is set at 30%.

The Group has decided that write-offs apply in the following situations:

- assets for which a legal recovery procedure is pending once the procedure has been completed; and
- assets for which no legal recovery procedure is pending once the trade receivable is three years overdue (five years overdue for public counterparties).

In the context of its market activities (mainly concerning BtoB customers), the Group takes into account forward-looking information when assessing its expected credit losses, in order to best reflect the situation in a series of economic sectors deemed to be the most critical.

15.2.1 Counterparty risk arising on operating activities

Counterparty risk arising on operating activities is managed *via* standard mechanisms such as third-party guarantees, netting agreements and margin calls, using dedicated hedging instruments or special prepayment and debt recovery procedures, particularly for retail customers.

15.2.1.1 Trade and other receivables, assets from contracts with customers

The total outstanding exposures presented in the tables below do not include impacts relating to VAT or to any other item not subject to credit risk, which amounted to €4,841 million at December 31, 2024 (compared to €4,579 million at December 31, 2023).

INDIVIDUAL APPROACH

In millions of euros		Dec. 31, 2024							
		Individual approach	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade[(1)]	Other	Total by counterparty type
Trade and other receivables, net	Gross	9,289	8,244	625	421	9,289	7,620	1,669	9,289
	Expected credit losses	(1,044)	(489)	(135)	(421)	(1,044)	(474)	(570)	(1,044)
TOTAL		**8,245**	**7,755**	**490**	-	**8,245**	**7,146**	**1,099**	**8,245**
Assets from contracts with customers	Gross	3,836	3,767	69	-	3,836	2,599	1,237	3,836
	Expected credit losses	(42)	(34)	(8)	-	(42)	(33)	(9)	(42)
TOTAL		**3,794**	**3,733**	**62**	-	**3,794**	**2,566**	**1,228**	**3,794**

In millions of euros		Dec. 31, 2023							
		Individual approach	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade[(1)]	Other	Total by counterparty type
Trade and other receivables, net	Gross	13,653	12,304	1,248	101	13,653	11,533	2,121	13,653
	Expected credit losses	(909)	(696)	(116)	(97)	(909)	(594)	(315)	(909)
TOTAL		**12,745**	**11,609**	**1,132**	**4**	**12,745**	**10,939**	**1,806**	**12,745**
Assets from contracts with customers	Gross	4,377	4,374	2	-	4,377	3,299	1,078	4,377
	Expected credit losses	(22)	(22)	-	-	(22)	(15)	(7)	(22)
TOTAL		**4,354**	**4,352**	**2**	-	**4,354**	**3,284**	**1,070**	**4,354**

(1) Investment Grade corresponds to counterparties that are rated at least BBB- by Standard & Poor's.

COLLECTIVE APPROACH

In millions of euros		Dec. 31, 2024				
		Collective approach	0 to 6 months	6 to 12 months	beyond	Total past due assets at Dec. 31, 2024
Trade and other receivables, net	Gross	4,076	497	186	422	1,105
	Expected credit losses	(1,242)	(53)	(48)	(363)	(465)
TOTAL		**2,833**	**444**	**138**	**59**	**641**
Assets from contracts with customers	Gross	5,458	357	36	47	440
	Expected credit losses	(16)	-	-	-	-
TOTAL		**5,442**	**357**	**36**	**47**	**440**

In millions of euros		Dec. 31, 2023 Collective approach	0 to 6 months	6 to 12 months	beyond	Total past due assets at Dec. 31, 2023
Trade and other receivables, net	Gross	3,953	420	212	199	831
	Expected credit losses	(1,153)	(20)	(40)	(216)	(275)
TOTAL		**2,800**	**400**	**173**	**(16)**	**557**
Assets from contracts with customers	Gross	5,194	31	85	3	119
	Expected credit losses	(5)	-	(2)	-	(2)
TOTAL		**5,189**	**31**	**83**	**3**	**117**

15.2.1.2 Commodity derivatives

In the case of commodity derivatives, counterparty risk arises from positive fair value. When calculating the fair value of these derivative instruments, counterparty risk (CVA) is based on default probabilities whose parameters have been updated, in a context of uncertainty, to take account of an increased risk of default.

The volatility of commodity prices and the impact on the valuation of derivatives on the assets side of the balance sheet have not significantly altered the Group's exposure due to the credit quality of its counterparties.

In millions of euros	Dec. 31, 2024		Dec. 31, 2023	
	Investment Grade[1]	Total	Investment Grade[1]	Total
Gross exposure[2]	9,757	11,522	15,954	19,324
Net exposure[3]	4,107	4,961	6,385	8,050
% of credit exposure to “Investment Grade” counterparties	82.8%		79.3%	

(1) *Investment Grade corresponds to transactions with counterparties that are rated at least BBB- by Standard & Poor’s, Baa3 by Moody’s, or equivalent by Dun & Bradstreet. “Investment Grade” is also determined based on an internal rating tool that has been rolled out within the Group, and covers its main counterparties.*
(2) *Corresponds to the maximum exposure,* i.e. *the value of the derivatives shown under assets (positive fair value).*
(3) *After taking into account the liability positions with the same counterparties (negative fair value), collateral, netting agreements and other credit enhancement techniques.*

15.2.2 Counterparty risk arising on financing activities

For its financing activities, the Group has put in place procedures for managing and monitoring risk based on (i) the accreditation of counterparties according to external credit ratings, objective market data (credit default swaps, market capitalization) and financial structure, and (ii) counterparty risk exposure limits.

To reduce its counterparty risk exposure, the Group has drawn increasingly on a structured legal framework based on master agreements (including netting clauses) and collateralization contracts (margin calls).

15.2.2.1 Loans and receivables at amortized cost

The total outstanding exposures presented in the tables below do not include impacts relating to VAT or to any other item not subject to credit risk, which amounted to €772 million at December 31, 2024 (compared to €425 million at December 31, 2023).

In millions of euros	Dec. 31, 2024 Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade[1]	Other	Total by counterparty type
Gross	14,296	43	685	15,024	11,367	3,657	15,024
Expected credit losses	(88)	(35)	(1,175)	(1,298)	(74)	(1,224)	(1,298)
TOTAL	**14,208**	**9**	**(491)**	**13,726**	**11,292**	**2,434**	**13,726**

In millions of euros	Dec. 31, 2023						
	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade(1)	Other	Total by counterparty type
Gross	8,879	285	700	9,865	5,754	4,111	9,865
Expected credit losses	(78)	(45)	(1,180)	(1,302)	(174)	(1,128)	(1,302)
TOTAL	**8,802**	**240**	**(479)**	**8,563**	**5,580**	**2,983**	**8,563**

(1) Investment Grade corresponds to counterparties that are rated at least BBB- by Standard & Poor's.

15.2.2.2 Counterparty risk arising on investing activities and the use of derivative financial instruments

The Group is exposed to counterparty risk arising on investments of surplus cash and from the use of derivative financial instruments. In the case of financial instruments at fair value through income, counterparty risk arises on instruments with a positive fair value. Counterparty risk is taken into account when calculating the fair value of these derivative instruments.

In millions of euros	Dec. 31, 2024				Dec. 31, 2023			
	Total	Investment Grade(1)	Unrated(2)	Non Investment-Grade(2)	Total	Investment Grade(1)	Unrated(2)	Non-Investment Grade(2)
Exposure	17,429	95.9%	2.5%	1.6%	17,577	89.6%	3.3%	7.1%

(1) Investment Grade corresponds to counterparties that are rated at least BBB- by Standard & Poor's or Baa3 by Moody's.
(2) The bulk of these two exposures is carried by consolidated companies that include non-controlling interests, or by Group companies that operate in emerging countries, where cash cannot be pooled and is therefore invested locally.

Furthermore, at December 31, 2024, Crédit Agricole SA is the main Group counterparty and represents 27.6% of cash surpluses. This relates mainly to a depositary risk. BNP Paribas comes next with 10.1%. No other counterparty represents more than 10%.

15.3 Liquidity risk

In the context of its operating activities, the Group is exposed to a risk of having insufficient liquidity to meet its contractual obligations. As well as the risks inherent in managing working capital requirements (WCR), margin calls are required in certain market activities, which are a way of mitigating counterparty risk on hedging instruments through the use of collateral.

The Group has set up a committee that meets weekly and is tasked with managing and monitoring liquidity risk throughout the Group, by maintaining a broad range of investments and sources of financing, and preparing forecasts of cash investments and divestments. ENGIE has set up a comprehensive framework to monitor and streamline cash movements related to OTC margin calls and margin calls *via* clearing houses, based on the use of liquidity swaps with its key counterparties, as well as the issuing of letters of credit.

The Group centralizes virtually all the financing needs and cash flow surpluses of the companies it controls, as well as most of their medium- and long-term external financing requirements. Centralization is provided by financing vehicles (long-term and short-term) and by dedicated Group cash pooling vehicles based in France, Belgium and Luxembourg.

Surpluses held by these structures are managed in accordance with a uniform policy. In accordance with this policy, unpooled cash surpluses are invested in instruments selected on a case-by-case basis in light of local financial market imperatives and the financial strength of the counterparties concerned.

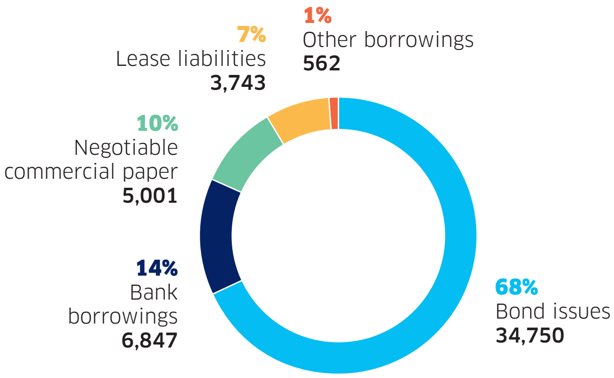
The Group uses an investment policy with the aim of keeping an extremely high level of liquidity and protecting invested capital, with a daily monitoring of performance and counterparty risk, allowing the Group to take immediate action where required. Consequently, 87% of the cash pooled at December 31, 2024 was invested in overnight bank deposits and standard money market funds with daily liquidity.

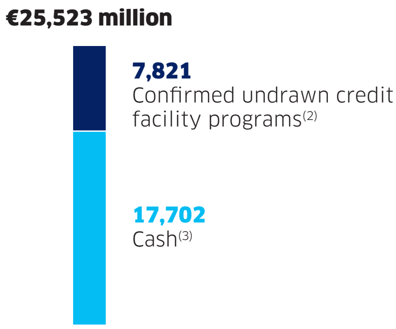
The Group's financing policy is based on:

- centralizing external financing;
- diversifying sources of financing between credit institutions and capital markets;
- achieving a balanced debt repayment profile.

The Group seeks to diversify its sources of financing by carrying out public or private bond issues within the scope of its Euro Medium Term Notes program. It also issues negotiable commercial paper in France (Negotiable European Commercial Paper) and in the United States (US Commercial Paper) as well as deeply-subordinated perpetual notes. As negotiable commercial paper is relatively inexpensive and highly liquid, it is used by the Group in a cyclical or structural manner to finance its short-term cash requirements. However, the refinancing of all outstanding negotiable commercial paper remains secured by confirmed bank lines of credit – mainly centralized – allowing the Group to continue to finance its activities if access to this financing source were to dry up. These facilities are appropriate for the scale of its operations and for the timing of contractual debt repayments.

DIVERSIFYING SOURCES OF FINANCING AND LIQUIDITY(1)
In millions of euros





(1) *These sources of financing and liquidity do not include the deeply-subordinated perpetual notes recognized in equity (see Note 16.2.1 "Issuance of deeply-subordinated perpetual notes").*
(2) *Negotiable commercial paper, net.*
(3) *Cash corresponds to cash and cash equivalents for €16,928 million, other financial assets reducing net financial debt for €1,035 million, net of bank overdrafts and cash current accounts for €262 million; of which 74% was invested in the Eurozone.*

At December 31, 2024, all Group entities whose debt is consolidated complied with the covenants and declarations included in their financial documentation, except for some non-significant entities for which compliance actions are being implemented. There are no defaults linked to financial ratios or rating levels on available centralized credit lines.

15.3.1 Undiscounted contractual payments relating to financial activities

Undiscounted contractual payments on outstanding borrowings and debt by maturity

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Bond issues	1,409	2,753	3,051	3,206	3,388	20,944	34,750	30,256
Bank borrowings	844	432	659	246	303	4,363	6,847	6,748
Negotiable commercial paper	5,001	-	-	-	-	-	5,001	5,606
Lease liabilities	473	477	418	335	324	2,551	3,743	3,147
Other borrowings	105	10	11	9	228	199	562	366
Bank overdrafts and current accounts	262	-	-	-	-	-	262	455

Other financial assets and cash and cash equivalents deducted from net financial debt have a liquidity of less than one year.

Undiscounted contractual interest payments on outstanding borrowings and debt by maturity

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Undiscounted contractual interest payments on outstanding borrowings and debt	1,166	825	1,083	8,546	169	1,032	12,822	16,900

Undiscounted contractual payments on outstanding derivatives (excluding commodity instruments) by maturity

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Derivatives (excluding commodity instruments)	(5)	51	66	-	37	971	1,120	527

To better reflect the economic substance of these transactions, the cash flows linked to the derivatives recognized in assets and liabilities shown in the table above relate to net positions.

Undiscounted contractual payments related to leases

At December 31, 2024, the Group, as lessee, was potentially exposed to future cash outflows not reflected in the measurement of lease liabilities for €1,647 million (of which approximately 68% relate to potential cash outflows beyond 2029). This amount relates to leases not yet in force to which the Group is committed (LNG vessels and real estate).

In addition, the Group is also exposed to future cash outflows in the form of variable lease payments in connection with the extension of the Rhone concession. These variable lease payments are dependent on revenue from electricity sales.

Undrawn credit facility programs

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Confirmed undrawn credit facility programs	1,166	825	1,083	8,546	169	1,032	12,822	12,231

Of these undrawn programs, an amount of €5,001 million is allocated to covering negotiable commercial paper.

At December 31, 2024, no single counterparty represented more than 10% of the Group's confirmed undrawn credit lines.

15.3.2 Undiscounted contractual payments relating to operating activities

The table below provides an analysis of undiscounted fair values due and receivable in respect of commodity derivatives recorded in assets and liabilities at the reporting date.

The Group provides an analysis of residual contractual maturities for commodity derivative instruments included in its portfolio management activities. Derivative instruments relating to trading activities are considered to be liquid in less than one year, and are presented under current items in the statement of financial position.

In millions of euros	2025	2026	2027	2028	2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
DERIVATIVE INSTRUMENTS CARRIED IN LIABILITIES								
relating to portfolio management activities	*(2,462)*	*(3,507)*	*(1,125)*	*(398)*	*(180)*	*(672)*	*(8,343)*	*(21,080)*
relating to trading activities	*(3,502)*	-	-	-	-	-	*(3,502)*	*(1,787)*
DERIVATIVE INSTRUMENTS CARRIED IN ASSETS								
relating to portfolio management activities	*2,597*	*3,155*	*957*	*242*	*162*	*520*	*7,632*	*16,734*
relating to trading activities	*4,052*	-	-	-	-	-	*4,052*	*2,766*
TOTAL	**684**	**(352)**	**(168)**	**(156)**	**(18)**	**(152)**	**(161)**	**(3,366)**

15.3.3 Commitments relating to commodity purchase and sale contracts entered into in the ordinary course of business

Some Group operating companies have entered into long-term contracts, some of which include "take-or-pay" clauses. These consist of firm commitments to purchase or sell specified quantities of gas, electricity or steam as well as related services, in exchange for a firm commitment from the other party to deliver or purchase said quantities and services. These contracts were documented as falling outside the scope of IFRS 9. The table below shows the main future commitments arising from contracts entered into by GBU Renewables and GEMS (expressed in TWh).

In TWh	2025	2026-2029	Beyond 5 years	Total at Dec. 31, 2024	Total at Dec. 31, 2023
Firm purchases	(309)	(658)	(1,188)	(2,155)	(2,150)
Firm sales	437	544	217	1,198	1,310

NOTE 16 EQUITY

16.1 Share information

	Number of shares			Value *(in millions of euros)*		
	Total	**Treasury stock**	**Outstanding**	**Share capital**	**Additional paid-in capital**	**Treasury stock**
AT DECEMBER 31, 2023	**2,435,285,011**	**(13,835,367)**	**2,421,449,644**	**2,435**	**23,916**	**(177)**
Dividend paid in cash	-	-	-	-	(2,882)	-
Link 2024 employee share plan	-	11,017,316	11,017,316	-	-	175
Capital increase Link 2024	2,259,865	-	2,259,865	2	25	-
Capital decrease Link 2024	(2,259,865)	2,259,865	-	(2)	(34)	36
Purchase/disposal of treasury stock	-	(13,410,300)	(13,410,300)	-	-	(213)
Delivery of treasury stock (bonus)	-	4,524,797	4,524,797	-	-	57
AT DECEMBER 31, 2024	**2,435,285,011**	**(9,443,689)**	**2,425,841,322**	**2,435**	**21,025**	**(122)**

Changes in the number of shares during 2024 resulted from:

- share issues under the "Link 2024" worldwide employee share plan. All in all, 13.3 million shares were subscribed. At October 17, 2024 the transaction resulted in the sale to employees of 11 million shares purchased on the market for €175 million and a capital increase of €27.2 million. The latter amount is divided into a capital increase of €2.3 million and additional paid-in capital of €25 million;
- a capital decrease of €36 million through the cancellation of 2.3 million shares in the form of a capital decrease and €33.7 million charged to additional paid-in capital;
- the delivery of 4.5 million treasury shares as part of bonus share plans.

16.1.1 Potential share capital and instruments providing a right to subscribe for new ENGIE SA shares

Since 2017, the Group no longer has any stock purchase or subscription option plans.

Shares to be allocated under the performance share award plans described in Note 19 "Share-based payments" are covered by existing ENGIE SA shares.

16.1.2 Treasury stock

ACCOUNTING STANDARDS

Treasury shares are recognized at acquisition cost and deducted from equity. Gains and losses on disposals of treasury shares are recorded directly in equity and do not, therefore, impact income for the period.

The Group has a stock repurchase program as a result of the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of April 30, 2024. This program provides for the repurchase of up to 10% of the shares comprising the share capital of ENGIE SA at the date of the said Shareholders' Meeting. The aggregate amount of acquisitions net of expenses under the program may not exceed €7.3 billion, and the purchase price must be less than €30 per share excluding acquisition costs.

At December 31, 2024, the Group held 9.4 million treasury shares. To date, all the shares have been allocated to cover the Group's share commitments to employees and corporate officers.

The liquidity agreement signed with an investment service provider assigns to the latter the role of operating on the market on a daily basis, to buy or sell ENGIE SA shares, in order to ensure liquidity and an active market for the shares on the Paris and Brussels stock exchanges. To date, the resources allocated to the implementation of this agreement amount to €55 million.

16.2 Other disclosures concerning additional paid-in capital, consolidated reserves and issuance of deeply-subordinated perpetual notes (Group share)

Total additional paid-in capital, consolidated reserves and issuance of deeply-subordinated perpetual notes (including net income for the year), amounted to €34,000 million at December 31, 2024, including €21,025 million in additional paid-in capital. Additional paid-in capital includes a portion of the cash dividend payment for 2023 in an amount of €2,882 million.

Consolidated reserves include the cumulative income of the Group, the legal and statutory reserves of ENGIE SA, cumulative actuarial gains and losses, net of tax and the change in fair value of equity instruments at fair value through OCI.

Under French law, 5% of the net income of French companies must be allocated to the legal reserve until the latter reaches 10% of share capital. This reserve can only be distributed to shareholders in the event of liquidation. The ENGIE SA legal reserve amounts to €244 million.

16.2.1 Issuance of deeply-subordinated perpetual notes

In June 2024, ENGIE SA carried out a redemption of deeply subordinated perpetual notes for a total amount of €1,190 million, resulting in:

- a €338 million redemption of deeply-subordinated perpetual notes (PERP NC 06/2024, a 3.875% coupon, ISIN code: FR0011942283);
- a partial early redemption of two other tranches of deeply-subordinated perpetual notes for a total amount of €852 million, i.e.:
  - €545 million (PERP NC 02/2025, a 3.25% coupon, ISIN code: FR0013398229) out of an initial nominal amount of green deeply subordinated perpetual notes of €1,000 million,
  - €307 million (PERP NC 07/2025, a 1.625% coupon, ISIN code: FR0013431244) out of an initial nominal amount of €500 million.

At the same time, ENGIE SA carried out an issue of non-ended green deeply-subordinated perpetual notes for a total amount of €1,835 million, resulting in:

- a €800 million issue (4.75% coupon) with a redemption option from March 2030 (ISIN code: FR001400QOK5);
- a €1,035 million issue (5.125% coupon) with a redemption option from March 2033 (ISIN code: FR001400QOL3).

In accordance with IAS 32 *(Financial Instruments: Presentation)*, and given their characteristics, these instruments are recognized in equity in the Group's consolidated financial statements.

At December 31, 2024, the outstanding nominal value of deeply subordinated perpetual notes amounted to €4,038 million, versus €3,393 million at December 31, 2023.

In 2024, the Group paid €80 million to the holders of these notes, i.e., €88 million in coupons, net of €8 million early redemption allowances received. This amount is accounted for as a deduction from equity in the Group's consolidated financial statements; the related tax saving is accounted for in the income statement.

16.2.2 Distributable capacity of ENGIE SA

ENGIE SA's distributable capacity totaled €25,535 million at December 31, 2024 (compared with €24,537 million at December 31, 2023), including €21,025 million of additional paid-in capital.

16.2.3 Dividends

On April 30, 2024, the Shareholders' Meeting approved the payment of a €1.43 dividend per share for 2023. In accordance with Article 26.2 of the bylaws, a 10% bonus loyalty dividend of €0.143 per share was awarded to shares registered for at least two years at December 31, 2023 and that remained registered in the name of the same shareholder until the payment date of the dividend. This bonus dividend may not apply to a number of shares representing more than 0.5% of the share capital for any one shareholder. On May 6, 2024, the Group paid a cash dividend of €3,469 million, including the dividend of €1.43 per share for shares eligible for the ordinary dividend, and a loyalty bonus of €34 million.

Proposed dividend in respect of 2024

At the Shareholders' Meeting convened to approve the ENGIE Group financial statements for the year ended December 31, 2024, the shareholders will be asked to approve a dividend of €1.48 per share, representing a total payout of €3,604 million based on the number of shares outstanding at December 31, 2024. It will be increased by 10% for all shares held for at least two years at December 31, 2024 and up to the 2024 dividend payment date. Based on the number of outstanding shares at December 31, 2024, this increase is valued at €44 million.

Subject to approval by the Shareholders' Meeting of Thursday April 24, 2025, on the dividend's ex-coupon date is Friday April 25, 2025 and it will be paid on Tuesday April 29, 2025. It is not recognized as a liability in the financial statements at December 31, 2024, since the financial statements at the end of 2024 were presented before the appropriation of earnings.

16.2.4 Main transactions affecting shareholders' equity in 2024

On February 20, 2024, ENGIE finalized the acquisition of an additional 12% stake in ENGIE Romania. This transaction increased the Group's net financial debt by €85 million.

In September 2024, ENGIE North America finalized the sale to the Ares Management Infrastructure Opportunities (Ares) fund of a minority stake in a 2.7 GW portfolio of storage and renewable energy assets in the United States (variable percentage in the capital, given the preferred share structure subscribed by Ares). This transaction reduced the Group's net financial debt by €830 million.

16.3 Recyclable gains and losses recognized in equity (Group share)

All items shown in the table below correspond to cumulative gains and losses (Group share) at December 31, 2024 and December 31, 2023, which are recyclable to income in subsequent periods.

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Debt instruments	(61)	(44)
Net investment hedges[1]	(502)	(238)
Cash flow hedges (excl. commodity instruments)[1]	(149)	145
Commodity cash flow hedges[1]	340	(3,998)
Deferred taxes on the items above	6	786
Share of equity method entities accounted in recyclable items, net of tax[2]	167	334
TOTAL RECYCLABLE ITEMS BEFORE TRANSLATION ADJUSTMENTS	**(200)**	**(3,015)**
Translation adjustments	(1,557)	(1,693)
TOTAL RECYCLABLE ITEMS	**(1,758)**	**(4,708)**

(1) See Note 15 "Risks arising from financial instruments".
(2) See Note 3 "Investments in equity method entities".

16.4 Capital management

ENGIE SA seeks to optimize its financial structure at all times by pursuing an optimal balance between its economic net debt and its EBITDA. The Group's key objective in managing its financial structure is to maximize value for shareholders and reduce the cost of capital, while ensuring that the Group has the financial flexibility required to continue its expansion. The Group manages its financial structure and makes any necessary adjustments in light of prevailing economic conditions. In this context, it may choose to adjust the amount of dividends paid to shareholders, reimburse a portion of capital, carry out share buybacks (see Note 16.1.2 "Treasury stock"), issue new shares, launch share-based payment plans, recalibrate its investment budget, or sell assets in order to scale back its net debt.

The Group's policy is to maintain an "strong investment grade" rating from the rating agencies. To achieve this, it manages its financial structure in line with the indicators usually monitored by these agencies, namely the Group's operating profile, financial policy and a series of financial ratios. One of the most commonly used ratios is the ratio where the numerator includes operating cash flows less cost of debt and taxes paid, and the denominator includes adjusted net financial debt. Net financial debt is mainly adjusted for nuclear provisions and provisions for pensions, as well as for 50% of hybrid debt (deeply-subordinated notes). In addition, the Group has issued a guidance targeting an "economic net debt to EBITDA" ratio less than or equal to 4x.

The Group's objectives and processes for managing capital have remained unchanged over the past few years.

ENGIE SA is not obliged to comply with any external minimum capital requirements except those provided for by law.

NOTE 17 PROVISIONS

ACCOUNTING STANDARDS

General principles related to the recognition of a provision

The Group recognizes a provision where it has a present obligation (legal or constructive) towards a third party arising from past events and where it is probable that an outflow of resources will be necessary to settle the obligation with no expected consideration in return.

A provision for restructuring costs is recognized when the general criteria for setting up a provision are met, i.e., when the Group has a detailed formal plan relating to the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Provisions with a maturity of over 12 months are discounted when the effect of discounting is material. The Group's main long-term provisions are provisions for the back-end of the nuclear fuel cycle, provisions for dismantling facilities, provisions for site restoration costs, and provisions for post-employment and other long-term benefits. The discount rates used reflect current market assessments of the time value of money and the risks specific to the liability concerned. Expenses with respect to unwinding the discount on the provision are recognized as other financial income and expenses.

Estimates of provisions

Factors having a significant influence on the amount of provisions, and particularly, but not solely, those relating to the back-end of the nuclear fuel cycle, to the dismantling of nuclear facilities and of gas infrastructures in France, include:

- cost estimates (see Note 17.2);
- the timing of expenditure (notably the timetable for the end of gas operations regarding the main gas infrastructure businesses in France) (see Notes 17.2 and 17.3); and
- the discount rate applied to cash flows.

These factors are based on information and estimates deemed by the Group to be the most appropriate as of today.

Modifications to certain factors could lead to a significant adjustment in these provisions.

In millions of euros	Post-employment and other long-term benefits	Back-end of the nuclear fuel cycle and dismantling of nuclear facilities	Dismantling of non-nuclear facilities	Other contingencies	Total
AT DECEMBER 31, 2023	**5,208**	**23,887**	**1,384**	**2,114**	**32,593**
Additions	230	318	40	811	1,399
Utilizations	(328)	(364)	(67)	(570)	(1,330)
Reversals	-	-	-	68	68
Changes in scope of consolidation	-	-	42	45	87
Impact of unwinding discount adjustments	168	672	47	18	905
Translation adjustments	(10)	-	9	(1)	(1)
Other	(289)	18	114	58	(99)
AT DECEMBER 31, 2024	**4,979**	**24,531**	**1,569**	**2,541**	**33,621**
Non-current	4,885	9,126	1,490	408	15,909
Current[1]	95	15,405	79	2,133	17,712

(1) *The classification of liabilities as current or non-current reflects the effects of the agreements signed with the Belgian government on December 13, 2023. The Group will settle a large portion of this liability (€11.5 billion$_{2022}$) when the agreement comes into force, and will settle the remaining balance (€3.5 billion) when the Tihange 3 and Doel 4 units are restarted, which is scheduled for the fourth quarter of 2025.*

The impact of unwinding discount adjustments in respect of post-employment and other long-term benefits relates to the interest expense on the benefit obligation, net of interest income on plan assets.

The “Other” line mainly comprises actuarial gains and losses arising on post-employment benefit obligations in 2024 which are recorded in “Other comprehensive income”.

Additions, utilizations, reversals and the impact of unwinding discount adjustments are presented as follows in the consolidated income statement:

In millions of euros	Dec. 31, 2024
Net income/(loss) from operating activities	(113)
Other financial income and expenses	(929)
TOTAL	**(1,042)**

The different types of provisions and the calculation principles applied are described below.

17.1 Post-employment benefits and other long-term benefits

See Note 18 “Post-employment benefits and other long-term benefits”.

17.2 Obligations relating to nuclear power generation facilities

17.2.1 Current legal context and expected developments following the agreements signed with the Belgian State in 2023

The Belgian law of April 11, 2003, partially repealed and amended by the law of July 12, 2022, granted Group subsidiary Synatom responsibility for managing provisions set aside to cover the costs of dismantling nuclear power plants and managing spent fuel.

The tasks of the Commission for Nuclear Provisions (CNP), set up pursuant to the above-mentioned law, are to oversee the process of computing and managing these provisions. In accordance with the law, every three years the CNP conducts an audit of the application and adequacy of the calculation methods used to compute nuclear provisions. The next triennial review will take place in 2025.

The agreements signed with the Belgian State in 2023 provide for:

- the 10-year extension of the Doel 4 and Tihange 3 nuclear reactors as part of a 50/50 partnership between the Belgian State and the Group, contingent upon the implementation of a contract for difference protecting ENGIE against market risks; and
- the transfer of financial responsibility to the Belgian State for managing nuclear waste and spent fuel in return for the payment of a lump-sum discharge amount of €15 billion$_{2022}$, within the limit of a volumetric credit covering all nuclear waste produced by the Belgian power plants during their legal operating life, from commissioning to dismantling.

The transfer of financial responsibility for the management of nuclear waste and spent fuel meeting the transfer criteria will take place at closing, which is expected in March 2025 (see Note 24 “Subsequent events”), and cannot be called into question unless the units are not restarted before November 1, 2027 due to serious negligence on the part of ENGIE. In this highly unlikely event, the Belgian State may cancel the agreement on the lump-sum discharge and revert to the current system in which the nuclear operator bears the financial responsibility. The amounts already paid by the Group would accordingly be held in escrow for the benefit of the transferred nuclear provisions until the end of the dismantling program, including nuclear waste and back-end nuclear fuel cycle management.

The Group will settle its liability of €15 billion$_{2022}$ (including the share of its Electrabel partners in certain power generation facilities) by means of a payment of €11.5 billion$_{2022}$ for category B and C waste (highly radioactive waste, that is intended for geological storage), at the time of closing, after which it will settle the remaining €3.5 billion$_{2022}$ for category A waste (low-level radioactive waste, that is intended for surface storage) when the extended units are restarted in the second half of 2025. These amounts are subject to a 3% indexation effective from January 1, 2023 until the date of payment.

At the end of this agreement, the Group will essentially retain responsibility for the on-site storage of spent fuel waste until the end of the dismantling operations and until 2050 at the latest, as well as for the conditioning of all waste in accordance with the contractual agreement. The Group will also remain responsible for the final shutdown of the reactors, their dismantling and the clean-up of the site at the end of their operating life. The process of setting up and managing all these provisions, for which the Group is responsible, will continue to be reviewed by the CNP every three years.

17.2.2 Provisions for the back-end of the nuclear fuel cycle

When spent nuclear fuel is removed from a reactor and temporarily stored on-site, it requires conditioning, before being consigned to long-term storage.

As part of the implementation of a lump-sum discharge payment for the transfer of financial responsibility for managing the storage and disposal of nuclear waste and spent fuel, as provided for in the agreement, the risks associated with this liability have been considerably reduced, since the agreement stipulates that the State will be financially responsible for all spent fuel management operations after its transfer to the Belgian agency for radioactive waste and enriched fissile materials (ONDRAF – *Organisme national des déchets radioactifs et des matières fissiles enrichies*), in return for the lump-sum discharge payment of €10.5 billion$_{2022}$ for category C waste.

With regard to waste management, the Group's responsibility will be essentially limited to on-site storage of fuel elements until the end of dismantling operations, and until 2050 at the latest, as well as compliance with the contractual criteria for transferring waste to ONDRAF, with the liability estimated at €1.7 billion$_{2022}$, as indicated in the draft law implementing the agreement.

Provisions not covered by the lump-sum discharge payment are calculated based on the following principles and inputs:

- storage costs primarily comprise the costs of building and operating additional dry storage facilities and operating existing facilities, along with the costs of purchasing containers;
- radioactive spent fuel that has not been reprocessed is to be conditioned, which requires conditioning facilities to be built according to ONDRAF's approved criteria. All ONDRAF's recommendations regarding the cost of these facilities were taken into account at the time of the previous triennial review;
- a discount rate of 3.0% (including inflation of 2.0%) was used by the CNP (Commission for Nuclear Provisions) at the time of the previous triennial review, for the unprovisioned portion of the lump-sum discharge payment.

The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment.

Sensitivity

Following the assumption by the Belgian State of all obligations relating to nuclear waste after its transfer to ONDRAF, the Group will only remain exposed to changes in future storage and conditioning costs and the corresponding discounting inputs prior to the transfer (as mentioned above, liability estimated at €1.7 billion$_{2022}$):

- the costs of building dry storage facilities and purchasing fuel element containers at the Group's sites could differ from those covered by the provisions. A 10% change in these costs, still to be incurred would represent a €60 million change in provisions;
- a 10% change in the annual operating costs of the storage facilities would result in a €30 million change in the provision;
- a 25 basis point change in the discount rate would result in a €40 million adjustment to non-transferred provisions. A fall in the discount rate would lead to an increase in outstanding provisions, while a rise in the discount rate would reduce the provisions' amount.

It should be noted that the risk of exceeding volumetric credits is considered, at this stage, to be highly unlikely, as the volumetric credits established in the agreement have incorporated the volumetric contingencies estimated as part of the provision review in 2022.

17.2.3 Provisions for dismantling nuclear facilities [ESRS E5-2]

ACCOUNTING STANDARDS

A provision is recognized when the Group has a present legal or constructive obligation to dismantle facilities or to restore a site. The present value of the obligation at the time of commissioning represents the initial amount of the provision for dismantling with, as the counterpart, an asset for the same amount, which is included in the carrying amount of the facilities concerned. This asset is depreciated over the operating life of the facilities and is included in the scope of assets subject to impairment tests.

Adjustments to the provision due to subsequent changes in (i) the expected outflow of resources, (ii) the timing of dismantling expenses or (iii) the discount rate, are deducted from or subject to specific conditions, added to the cost of the corresponding asset. The impacts of unwinding the discount each year are recognized in expenses for the period.

A provision is also recorded for nuclear units for which the Group holds a capacity right up to its share of the expected dismantling costs to be borne by the Group.

At the end of their operating life, the nuclear power plants must be shut down for the period during which spent fuel is unloaded from the plant, and until the site is dismantled and cleaned up.

The dismantling strategy is based on the facilities being dismantled (i) immediately after the reactor is shut down, (ii) on a mass basis rather than on a unit-by-unit basis, and (iii) completely, the land being subsequently returned to greenfield status.

As a result of the agreement, financial responsibility for all Category A and B waste management operations conditioned in accordance with the contractual transfer criteria will henceforth lie with the State, in return for payment of the lump sum discharge amount described in Note 17.2.2 above. The Group will transfer this liability when the closing of the transaction is effective (see Note 24 "Subsequent events"), for a total of €1 billion$_{2022}$ for category B waste, and when the extended units are restarted at the end of 2025, for a total of €3.5 billion$_{2022}$ for category A waste.

The Group only remains responsible for the final shutdown and dismantling (as well as for the conditioning of category A and B waste from these operations, as described in Note 17.2.2). The Group's remaining liability for the final shutdown and dismantling is estimated at €6.7 billion$_{2022}$, as set out in the law implementing the agreement. At December 31, 2024, provisions for dismantling nuclear facilities are calculated based on the following inputs:

- the start of the technical shutdown procedures depends on the unit concerned and on the timing of operations for the whole nuclear reactor. The shutdown procedures are immediately followed by dismantling operations;
- the scenario adopted is based on a dismantling program and on timetables that must be approved by the nuclear safety authorities. The safety conditions for the shutdown phases have been defined with the Belgian Federal Agency for Nuclear Control (AFCN) for the Doel 3 and Tihange 2 units that have already been shut down. The safety conditions for the dismantling phase have not yet been determined. The costs may change depending on the outcome of these discussions and the detailed schedule for the implementation of these phases which is currently being defined;
- costs payable over the long term are calculated by reference to the estimated costs for each nuclear facility, based on a study conducted by independent experts under the assumption that the facilities will be dismantled on a mass basis. The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment;
- for the various phases, margins for contingencies, reviewed by ONDRAF and the Commission for Nuclear Provisions, are included;
- an inflation rate of 2.0% is applied until the dismantling obligations expire in order to determine the value of the future obligation;
- the discount rate used by the CNP is 2.5% (including inflation of 2.0%).

The 10-year extension of the Doel 4 and Tihange 3 units provided for in the agreement "deoptimizes" the systematic dismantling of the various units. The agreement stipulates that the Belgian State will bear the increase in dismantling costs relating to the dis-synergies generated by the change to the initial scenario, which provided for two of the units to be dismantled on a mass basis rather than on a deferred basis. The Group therefore recognized an additional provision for dismantling of €0.2 billion, against a receivable from the Belgian State. This amount was confirmed by the Commission for Nuclear Provisions (CNP) in its opinion of June 24, 2024. This amount will be settled upon closing of the agreement with the Belgian State.

The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment. Certain ONDRAF recommendations from the 2022 triennial review of nuclear provisions that could not yet be quantified will be specifically examined under the oversight of the CNP within the context of the triennial review in 2025.

Lastly, the Group sets aside provisions to cover the costs relating to the final shutdown phase of its drawing rights in Tricastin and Chooz B, as well as for the dismantling period leading to the dismantling and clean-up of the Chooz B site, in accordance with the respective agreements with EDF. These are based on provisions for Belgian assets that most closely resemble these power plants, and are updated in line with revisions by the CNP.

Sensitivity

In light of the agreement, the Group will only be responsible for shutdown and dismantling, including conditioning of the nuclear waste arising from these operations, in accordance with the contractual transfer criteria (as indicated above, liability estimated at €6.7 billion$_{2022}$):

- a 10% change in shutdown costs of the units would lead to a change in the provisions of around €200 million;
- a 10% change in unit dismantling costs would lead to a change of around €400 million in nuclear provisions;
- a 25 basis point change in the discount rate would lead to an adjustment of approximately €170 million in the provisions. A fall in the discount rate would lead to an increase in outstanding provisions, while a rise in the discount rate would reduce the provisions' amount.

17.2.4 Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material

As indicated above, the Belgian law of July 12, 2022, partially repealing and amending the law of April 11, 2003, granted the Group's wholly-owned subsidiary Synatom responsibility for managing and investing funds received from operators of nuclear power plants in Belgium and intended to cover the costs of dismantling nuclear power plants and managing spent fuel. Pursuant to the law of April 11, 2003, Synatom could lend up to 75% of these funds to nuclear power plant operators provided that certain credit quality criteria are met.

The amount of outstanding loans between Synatom and nuclear operators, representing the countervalue of provisions for spent fuel management, will be repaid to Synatom by December 31, 2025, and the amount of outstanding loans between Synatom and Electrabel, representing the countervalue of provisions for dismantling, will be repaid by September 30, 2031.

The percentage of the provisions not subject to loans to nuclear operators is invested by Synatom either in external financial assets or in loans to legal entities meeting the “credit quality” criteria imposed by law.

The Synatom Board of Directors and its Investment Committee are responsible for defining Synatom's investment policy after consultation with the CNP, in accordance with the law of July 12, 2022. Based on a rigorous risk control policy, the Investment Committee oversees investment decisions, which are managed by a team headed by an Investment Director.

Synatom invested some €2.5 billion in such assets in 2024.

The value of financial assets dedicated to covering nuclear provisions amounted to €12,871 million at December 31, 2024, and their return was 4.8% for the year. 2024 saw a reorganization of the portfolio, with a split between:

- assets related to provisions for nuclear waste processing: these assets will be transferred to Hedera, a public institution set up by the Belgian State, upon closing of the agreements signed with the Belgian State. The objective set for Synatom to date is to maintain the value of the underlying assets by investing in money-market instruments, providing a return at least equivalent to the indexation of the fee amounts fixed at 3%;
- assets related to residual provisions for dismantling and on-site storage: the aim is to guarantee a sufficient return, with an acceptable level of risk, to cover dismantling and spent fuel storage costs. This portfolio complies with the diversification, risk minimization and availability requirements defined by the law of July 12, 2022.

The portfolio reorganization led to the liquidation of a significant portion of the funds and their reallocation to various Synatom investment vehicles in order to ensure sufficient liquidity to settle the lump-sum discharge payments due to the Belgian State.

17.2.4.1 Valuation of financial assets in 2024

Loans to entities outside the Group and other cash investments are shown in the table below:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Loans to third parties	-	**3**
Cash awaiting investment and cash UCITS	**9,624**	**3,777**
Total loans and receivables at amortized cost	**9,624**	**3,780**
Equity instruments at fair value through other comprehensive income	640	1,640
Equity instruments at fair value through profit or loss	-	25
Equity instruments at fair value through income	**640**	**1,665**
Debt instruments at fair value through other comprehensive income	1,438	1,873
Debt instruments at fair value through profit or loss	1,195	2,663
Debt instruments at fair value	**2,632**	**4,536**
Total equity and debt instruments at fair value	**3,273**	**6,201**
Derivative instruments	**(25)**	**3**
TOTAL[(1)]	**12,871**	**9,984**

(1) Not including €301 million in uranium inventories at December 31, 2024 (€307 million at December 31, 2023).

Loans to legal entities outside the Group and the cash held by the Undertaking for Collective Investment in Transferable Securities (UCITS) are presented in the statement of financial position under "Loans and receivables at amortized cost". Bonds and associated hedging instruments held by Synatom through the UCITS are presented under equity or debt instruments (see Note 14.1 "Financial assets").

The breakdown in the change in the cumulative fair value of Synatom's assets is presented as follows:

	Cumulative change in the fair value of dedicated financial assets	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Equity instruments at fair value through other comprehensive income	81	88
Debt instruments at fair value through other comprehensive income	(19)	(101)
Debt instruments at fair value through profit or loss	83	122
TOTAL	**145**	**108**

The net gain for the period generated by these assets amounted to €324 million in 2024 (net loss of €184 million in 2023).

	Effects on the result of the return on dedicated financial assets	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Disposal proceeds	(61)	(312)
Return on assets	329	71
Change in fair value of derivatives not designated as hedges	(212)	(108)
Change in fair value of dedicated assets through income	268	167
TOTAL	**324**	**(184)**

17.3 Dismantling of non-nuclear plant and equipment and site rehabilitation

17.3.1 Dismantling obligations arising on non-nuclear plant and equipment

Certain items of plant and equipment, including conventional power stations, transmission and distribution pipelines, storage facilities and LNG terminals, have to be dismantled at the end of their operational lives or at least safely shut down. These obligations are the result of prevailing environmental regulations in the countries concerned, contractual agreements, or an implicit Group commitment. The most important issue for the Group concerns gas infrastructures in France.

France's political and societal guidelines for the energy transition aim to achieve carbon neutrality by 2050, by reducing greenhouse gas emissions and promoting renewable or so-called “green” energies, particularly biomethane and hydrogen. The various scenarios that make it possible to achieve carbon neutrality, in particular the National Low Carbon Strategy in France, the French Environment and Energy Management Agency (ADEME) scenarios, and the “Energy Futures” prospective study by the electricity transmission system operator, RTE, all lead to a significant decrease in the quantities of gas consumed, while maintaining a high number of gas connection points to manage peak electricity demand. The Group is closely analyzing this prospect, particularly for the purpose of defining its strategy and assessing the useful life of assets and evaluating provisions for their possible dismantling.

The future French Strategy for Energy and Climate (SFEC) will set out France's updated roadmap to achieve carbon neutrality by 2050 and ensure that France can adapt to the impacts of climate change. The SFEC will encompass the National Low-Carbon Strategy (SNBC, 3rd issue), the National Climate Change and Adaptation Plan (PNACC, 3rd issue) and the Mult-Annual Energy Plan (PPE 2024-2033), which are all to be adopted in 2025 (see Note 13.4.2).

In line with the objective of carbon neutrality by 2050, the long-term scenario adopted by the Group, which governs the implementation of its strategy, is one that combines reasonable electrification, i.e. just under 50% of final demand in 2050, with the development of a diversified range of green gases (biomethane, synthesized e-CH4, natural gas with the Carbon Capture and Storage process, pure hydrogen). The Group's scenario is similar to that of the International Energy Agency, with its APS (Announced Pledges Scenario) model, and that of ADEME (“green technology”).

Due to the importance of green gases in the French energy mix scheduled for 2050 and beyond, gas infrastructures will remain largely necessary and will be essential to provide flexibility to the energy system. The adaptation and conversion of these infrastructures to green gas mean that they can be used in the very distant future, which means that the present value of dismantling provisions is almost zero, except in the specific cases of LNG terminals and reduced operation and non-regulated storage sites mainly in France and Germany, for which provisions for dismantling amounted to €353 million at December 31, 2024 and €326 million at December 31, 2023.

Given its time horizon and developments in French and European public policies, the Group will continue to assess the long-term scenario that will enable it to achieve carbon neutrality by 2050 on a regular basis. These assessments will be accompanied by a review of the valuation of dismantling provisions.

A more substantial change in the regulatory framework could have an impact on the sizing, operating life and dismantling schedule of gas infrastructures in France, and could have a significant impact on the amount of the provision for dismantling.

17.3.2 Hazelwood Power Station & Mine (Australia)

The Group and its partner Mitsui announced in November 2016 their decision to close the coal-fired Hazelwood Power Station, and cease coal extraction operations from the adjoining mine from late March 2017. The Group holds a 72% interest in the former 1,600 MW power station and adjoining coal mine, which has been consolidated as a joint operation.

At December 31, 2024, the Group's share (72%) of the provision covering the obligation to dismantle and rehabilitate the mine amounted to €239 million, versus €280 million at December 31, 2023.

Dismantling and site rehabilitation work commenced in 2017 and focused on: managing site contamination; planning site wide environmental clean-up; the demolition and dismantling of all of the site's industrial facilities, including the former power station; and ongoing aquifer pumping and designated earthworks within the mine to ensure mine floor and batter stability with a view to long-term rehabilitation into a pit lake.

The ultimate regulatory obligations are likely to be revised during the life of the project and could therefore have an impact on provisions.

The amount of the provision recognized is based on the Group's best current estimate of the demolition and rehabilitation costs that Hazelwood is expected to incur. However, the amount of this provision may be adjusted in the future to take into account any changes in the key inputs.

17.4 Other contingencies

This caption essentially includes provisions for commercial litigation, tax claims and disputes (except income tax, pursuant to IFRIC 23), provisions for restructuring and provisions for onerous contracts relating to storage and transport capacity reservation contracts.

NOTE 18 POST-EMPLOYMENT BENEFITS AND OTHER LONG-TERM BENEFITS

ACCOUNTING STANDARDS

Depending on the laws and practices in force in the countries where the Group operates, Group companies have obligations in terms of pensions, early retirement payments, retirement bonuses and other benefit plans. Such obligations generally apply to all employees within the companies concerned.

The Group's obligations in relation to pensions and other employee benefits are recognized and measured in compliance with IAS 19. Accordingly:

- the cost of defined contribution plans is expensed based on the amount of contributions payable in the period;
- the Group's obligations concerning pensions and other employee benefits payable under defined benefit plans are assessed on an actuarial basis using the projected unit credit method. These calculations are based on assumptions relating to mortality, staff turnover and estimated future salary increases, as well as the economic conditions specific to each country or entity of the Group. Discount rates are determined by reference to the yield, at the measurement date, on investment grade corporate bonds in the related geographical area (or on government bonds in countries where no representative market for such corporate bonds exists).

Pension commitments are measured on the basis of actuarial assumptions. The Group considers that the assumptions used to measure its obligations are relevant and documented. However, any change in these assumptions could have a significant impact on the resulting calculations.

Provisions are recorded when commitments under these plans exceed the fair value of plan assets. Where the value of plan assets (capped where appropriate) is greater than the related commitments, the surplus is recorded as an asset under "Other assets" (current or non-current).

As regards post-employment benefit obligations, actuarial gains and losses are recognized in other comprehensive income. Where appropriate, adjustments resulting from applying the asset ceiling to net assets relating to overfunded plans are treated in a similar way. However, actuarial gains and losses on other long-term benefits such as long-service awards, are recognized immediately in profit or loss.

Net interest on the net defined benefit liability (asset) is presented in net financial income/(loss).

18.1 Description of the main pension plans

18.1.1 Companies belonging to the electricity and gas industries sector in France

Since January 1, 2005, the CNIEG (*Caisse nationale des industries électriques et gazières*) has operated the pension, disability, death, occupational accident and occupational illness benefit plans for electricity and gas industry (hereinafter "EGI") companies in France. The CNIEG is a social security legal entity under private law placed under the joint responsibility of the ministries in charge of social security and the budget.

Employees and retirees of EGI sector companies have been fully affiliated to the CNIEG since January 1, 2005. The main affiliated Group entities are ENGIE SA, GRDF, GRTgaz, Elengy, Storengy, ENGIE Thermique France, CPCU, CNR and SHEM.

Following the funding reform of the special EGI pension plan introduced by Law No. 2004-803 of August 9, 2004 and its implementing decrees, specific benefits (pension benefits on top of the standard benefits payable under ordinary law) already vested at December 31, 2004 ("past specific benefits") were allocated between the various EGI entities. Past specific benefits (benefits vested at December 31, 2004) relating to regulated transmission and distribution businesses ("regulated past specific benefits") are funded by the levy on gas and electricity transmission and distribution services (*contribution tarifaire d'acheminement*) and therefore no longer represent an obligation for the ENGIE Group. Unregulated past specific benefits (benefits vested at December 31, 2004) are funded by EGI sector companies to the extent defined by Decree No. 2005-322 of April 5, 2005.

The specific benefits vested under the plan since January 1, 2005 are wholly financed by EGI sector companies in proportion to their respective weight in terms of payroll costs within the EGI sector.

As this plan is a defined benefit plan, the Group has set aside a pension provision in respect of specific benefits payable to employees of unregulated businesses and specific benefits vested by employees of regulated businesses since January 1, 2005. This provision also covers the Group's early retirement obligations. The provision amount may be subject to fluctuations based on the weight of the Group's companies within the EGI sector.

The special EGI pension plan, unlike other EGI benefits, has been closed to new entrants since September 1, 2023.

Pension benefit obligations and other "mutualized" obligations are assessed by the CNIEG.

At December 31, 2024, the projected benefit obligation in respect of the special pension plan for EGI sector companies amounted to €2.78 billion.

The duration of the pension benefit obligation of the EGI pension plan is 18 years.

18.1.2 Companies belonging to the electricity and gas sector in Belgium

In Belgium, the rights of employees in electricity and gas sector companies, principally Electrabel, Laborelec and some ENGIE Energy Management Trading and ENGIE CC employee categories, are governed by collective bargaining agreements.

These agreements, applicable to “wage-rated” employees recruited prior to June 1, 2002 and managerial staff recruited prior to May 1, 1999, specify the benefits entitling employees to a supplementary pension equivalent to 75% of their most recent annual income, for a full career and in addition to the statutory pension. These top-up pension payments provided under defined benefit plans are partly reversionary. In practice, the benefits are paid in the form of a lump sum for the majority of plan participants. Most of the obligations resulting from these pension plans are financed through pension funds set up for the electricity and gas sector and by certain insurance companies. Pre-funded pension plans are financed by employer and employee contributions. Employer contributions are calculated annually based on actuarial assessments.

The actuarial “pension” liability relating to these plans amounted to €1.2 billion at December 31, 2024. The average duration of these plans is 10 years.

“Wage-rated” employees recruited after June 1, 2002 and managerial staff (i) recruited after May 1, 1999 or (ii) having opted for the transfer through defined contribution plans, are covered under defined contribution plans. Prior to January 1, 2017, the law specified a minimum average annual return (3.75% on wage contributions and 3.25% on employer contributions) when savings are liquidated.

The law on supplementary pensions, approved on December 18, 2016 and enforced on January 1, 2017 henceforth specifies a minimum rate of return, depending on the actual rate of return of Belgian government bonds, within a range of 1.75%-3.25% (the rates are now identical for employee and employer contributions). In 2024, the minimum rate of return stood at 1.75%.

An expense of €44 million was recognized in 2024, and €42 million in 2023 in respect of these defined contribution plans.

18.1.3 Other pension plans

Most other Group companies also grant their employees retirement benefits. In terms of financing, pension plans within the Group are almost equally split between defined benefit and defined contribution plans.

The Group’s main pension plans outside France and Belgium concern:

- the United Kingdom: the large majority of defined benefit pension plans are now closed to new entrants and future benefits no longer vest under these plans. All entities run a defined contribution scheme. The pension obligations of International Power’s subsidiaries in the United Kingdom are covered by the special Electricity Supply Pension Scheme (ESPS). The assets of this defined benefit scheme are invested in separate funds. Since June 1, 2008, the scheme has been closed and a defined contribution plan has been set up for new entrants;
- Germany: the Group’s German subsidiaries have closed their defined benefit plans to new entrants and now offer defined contribution plans;
- Brazil: ENGIE Brasil Energia operates its own pension scheme. This scheme has been split into two parts, one for the (closed) defined benefit plan, and the other for the defined contribution plan that has been available to new entrants since the beginning of 2005.

18.2 Description of other post-employment benefit obligations and other long-term benefits

18.2.1 Other benefits granted to current and former EGI sector employees

Other benefits granted to EGI sector employees are:

- post-employment benefits:
  - reduced energy prices,
  - end-of-career indemnities,
  - bonus leave,
  - death capital benefits;
- long-term benefits:
  - allowances for occupational accidents and illnesses,
  - temporary and permanent disability allowances,
  - long-service awards.

The Group’s main obligations are described below.

18.2.1.1 Reduced energy prices

Under Article 28 of the national statute for electricity and gas industry personnel, all employees (current and former employees, provided they meet certain length-of-service conditions) are entitled to benefits in kind, which take the form of reduced energy prices known as “employee rates”.

This benefit entitles employees to electricity and gas supplies at a reduced price. For retired employees, this provision represents a post-employment defined benefit. Retired employees are only entitled to the reduced rate if they have completed at least 15 years’ service within EGI sector companies.

In accordance with the agreements signed with EDF in 1951, ENGIE provides gas to all current and former employees of ENGIE and EDF, while EDF supplies electricity to these same beneficiaries. ENGIE pays (or benefits from) the balancing contribution payable in respect of its employees as a result of energy exchanges between the two utilities.

The obligation to provide energy at a reduced price to current and former employees during their retirement is measured as the difference between the energy sale price and the preferential rate granted to employees.

The provision set aside in respect of reduced energy prices stood at €2.75 billion at December 31, 2024. The duration of the obligation is 18 years.

18.2.1.2 End-of-career indemnities

Retiring employees (or their dependents in the event of death during active service) are entitled to end-of-career indemnities, which increase in line with the length of service within the EGI sector.

18.2.1.3 Compensation for occupational accidents and illnesses

EGI sector employees are entitled to compensation for accidents at work and occupational illnesses. These benefits cover all employees or the dependents of employees who die as a result of occupational accidents or illnesses, or injuries undergone on the way to work.

The amount of the obligation corresponds to the likely present value of the benefits to be paid to current beneficiaries, taking into account any reversionary annuities.

18.2.2 Other benefits granted to employees of the gas and electricity sector in Belgium

Electricity and gas sector companies also grant other post-employee benefits such as the reimbursement of medical expenses, electricity and gas price reductions, as well as length-of-service awards and early retirement schemes. These benefits are not prefunded, with the exception of the special “*allocation transitoire*” termination indemnity, considered as an end-of-career indemnity.

18.2.3 Other collective agreements

Most other Group companies also grant their staff post-employment benefits (early retirement plans, medical coverage, benefits in kind, etc.) and other long-term benefits such as jubilee and length-of-service awards.

18.3 Defined benefit plans

18.3.1 Amounts presented in the statement of financial position and statement of comprehensive income

In accordance with IAS 19, the information presented in the statement of financial position relating to post-employment benefit obligations and other long-term benefits results from the difference between the gross projected benefit obligation and the fair value of plan assets. A provision is recognized if this difference is positive (net obligation), while a prepaid benefit cost is recorded in the statement of financial position when the difference is negative, provided that the conditions for recognizing the prepaid benefit cost are met.

Changes in provisions for pension plans, post-employment benefits and other long-term benefits, plan assets and reimbursement rights recognized in the statement of financial position are as follows:

In millions of euros	Provisions	Plan assets	Reimbursement rights
AT DECEMBER 31, 2023	**(5,208)**	**289**	**244**
Exchange rate differences	32	1	-
Changes in scope of consolidation and other	(1)	2	14
Actuarial gains and losses	281	125	(1)
Periodic pension cost	(391)	(37)	8
Contributions/benefits paid	309	7	(6)
AT DECEMBER 31, 2024	**(4,979)**	**386**	**260**

Plan assets and reimbursement rights are presented in the statement of financial position under “Other non-current assets” or “Other current assets”.

The cost recognized for the period amounted to €428 million in 2024 (€492 million in 2023). The components of this defined benefit cost in the period are set out in Note 18.3.3 “Components of the net periodic pension cost”.

The Eurozone represented 99% of the Group’s net obligation at December 31, 2024, (97% at December 31, 2023).

Cumulative actuarial gains and losses recognized in equity amounted to €1,576 million at December 31, 2024, compared to €1,979 million at December 31, 2023.

Net actuarial gains and losses arising in the period and presented on a separate line in the statement of comprehensive income represented a net actuarial gain of €406 million in 2024 and a net actuarial loss of €601 million in 2023.

18.3.2 Change in benefit obligations and plan assets

The table below shows the amount of the ENGIE Group's projected benefit obligations and plan assets, changes in these items during the periods presented, and their reconciliation with the amounts reported in the statement of financial position:

In millions of euros		Dec. 31, 2024				Dec. 31, 2023			
		Pension benefit obligations(1)	Other post-employment benefit obligations(2)	Long-term benefit obligations(3)	Total	Pension benefit obligations(1)	Other post-employment benefit obligations(2)	Long-term benefit obligations(3)	Total
A – CHANGE IN PROJECTED BENEFIT OBLIGATION									
Projected benefit obligation at January 1		**(5,966)**	**(3,529)**	**(433)**	**(9,928)**	**(5,565)**	**(3,308)**	**(395)**	**(9,268)**
Current service cost		(174)	(57)	(38)	(269)	(168)	(48)	(33)	(248)
Interest expense		(228)	(124)	(14)	(367)	(245)	(123)	(16)	(384)
Contributions paid		(8)	-	-	(8)	(9)	-	-	(9)
Amendments		2	-	-	2	(82)	27	(1)	(56)
Changes in scope of consolidation		1	-	-	1	-	-	-	-
Curtailments/settlements		-	-	-	-	8	5	1	14
Financial actuarial gains and losses		(62)	2	(4)	(64)	(163)	(233)	(33)	(430)
Demographic actuarial gains and losses		8	245	7	261	(110)	25	-	(85)
Benefits paid		358	133	46	537	378	127	43	549
Other (of which translation adjustments)		47	-	1	47	(11)	-	(1)	(11)
Projected benefit obligation at December 31	**A**	**(6,022)**	**(3,332)**	**(435)**	**(9,788)**	**(5,966)**	**(3,529)**	**(433)**	**(9,928)**
B – CHANGE IN FAIR VALUE OF PLAN ASSETS									
Fair value of plan assets at January 1		**5,067**	-	-	**5,067**	**5,181**	-	-	**5,181**
Interest income on plan assets		202	-	-	202	214	-	-	214
Financial actuarial gains and losses		213	-	-	213	(119)	-	-	(119)
Contributions received		80	-	-	80	91	-	-	91
Benefits paid		(293)	-	-	(293)	(308)	-	-	(308)
Other (of which translation adjustments)		(2)	-	-	(2)	9	-	-	9
Fair value of plan assets at December 31	**B**	**5,267**	-	-	**5,267**	**5,067**	-	-	**5,067**
C – FUNDED STATUS	**A+B**	**(754)**	**(3,332)**	**(435)**	**(4,521)**	**(899)**	**(3,529)**	**(433)**	**(4,861)**
Asset ceiling		(71)	-	-	(71)	(58)	-	-	(58)
Net pension benefit obligation		**(827)**	**(3,332)**	**(435)**	**(4,593)**	**(957)**	**(3,529)**	**(433)**	**(4,918)**
ACCRUED BENEFIT LIABILITY		**(1,214)**	**(3,330)**	**(435)**	**(4,339)**	**(1,246)**	**(3,529)**	**(433)**	**(5,208)**
PREPAID BENEFIT COST		**386**	-	-	**386**	**289**	-	-	**289**

(1) Pensions and retirement bonuses.
(2) Reduced energy prices, healthcare, gratuities and other post-employment benefits.
(3) Length-of-service awards and other long-term benefits.

18.3.3 Components of the net periodic pension cost

The net periodic cost recognized in respect of defined benefit obligations for the years ended December 31, 2024 and 2023 breaks down as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Current service cost	269	248
Actuarial gains and losses(1)	(4)	32
Gains or losses on pension plan curtailments, terminations and settlements(2)	(2)	42
Total accounted for under current operating income including operating MtM and share in net income of equity method entities	**263**	**322**
Net interest expense	165	170
Total accounted for under net financial income/(loss)	**165**	**170**
TOTAL	**428**	**492**

(1) On the long-term benefit obligation.
(2) Including the €56 million impact of the pension reform in 2023 on the IEG plan.

18.3.4 Funding policy and strategy

When defined benefit plans are funded, the related plan assets are invested in pension funds and/or with insurance companies, depending on the investment practices specific to the country concerned. The investment strategies underlying these defined benefit plans are aimed at striking the right balance between return on investment and acceptable levels of risk.

The objectives of these strategies can be summarized as follows: to maintain sufficient liquidity to cover pension and other benefit payments; and as part of risk management, to achieve a long-term rate of return higher than the discount rate or, where appropriate, at least equal to future required returns.

When plan assets are invested in pension funds, investment decisions are the responsibility of the fund management concerned. For French companies, where plan assets are invested with an insurance company, the latter manages the investment portfolio for unit-linked policies or euro-denominated policies, in a manner adapted to the risk and long-term profile of the liabilities.

The funding of these obligations for each of the periods presented can be analyzed as follows:

In millions of euros	Projected benefit obligation	Fair value of plan assets	Asset ceiling	Total net obligation
Underfunded plans	(4,063)	3,393	(68)	(738)
Overfunded plans	(1,469)	1,874	(3)	402
Unfunded plans	(4,256)	-	-	(4,256)
AT DECEMBER 31, 2024	**(9,788)**	**5,267**	**(71)**	**(4,593)**
Underfunded plans	(4,063)	3,382	(56)	(737)
Overfunded plans	(1,365)	1,686	(2)	319
Unfunded plans	(4,501)	-	-	(4,501)
AT DECEMBER 31, 2023	**(9,929)**	**5,068**	**(58)**	**(4,919)**

The allocation of plan assets by principal asset category can be analyzed as follows:

In %	Dec. 31, 2024	Dec. 31, 2023
Equity investments	27	26
Sovereign bond investments	23	26
Corporate bond investments	34	33
Money market securities	3	4
Real estate	2	3
Other assets	11	8
TOTAL	**100**	**100**

All plan assets were quoted on an active market at December 31, 2024.

The actual return on assets of EGI sector companies stood at a positive 4.23% in 2024.

In 2024, the actual return on plan assets of Belgian entities amounted to approximately a positive 5.3% in Group insurance and a positive 6.8% in pension funds.

The allocation of plan asset categories by geographic area of investment can be analyzed as follows:

In %	Europe	North America	Latin America	Asia – Oceania	Rest of the World	Total
Equity investments	48	37	1	12	2	100
Sovereign bond investments	77	1	18	-	3	100
Corporate bond investments	65	27	1	5	3	100
Money market securities	61	3	-	10	26	100
Real estate	95	3	-	1	1	100
Other assets	35	1	-	-	64	100

18.3.5 Actuarial assumptions

Actuarial assumptions are determined individually by country and company in conjunction with independent actuaries. Weighted discount rates for the main actuarial assumptions are presented below:

		Pension benefit obligations		Other post-employment benefit obligations		Long-term benefit obligations		Total benefit obligations	
		2024	2023	2024	2023	2024	2023	2024	2023
Discount rate	Eurozone	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
	UK Zone	5.1%	5.2%	-	-	-	-	-	-
Inflation rate	Eurozone	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	UK Zone	3.5%	3.5%	-	-	-	-	-	-

18.3.5.1 Discount and inflation rates

The discount rate applied is determined based on the yield, at the date of the calculation, of investment grade corporate bonds with maturities mirroring the term of the plan.

The rates were determined for each monetary area based on data for AA corporate bond yields. For the Eurozone, data (from Bloomberg) are extrapolated on the basis of government bond yields for long maturities.

According to the Group's estimates, a 100-basis-point increase (decrease) in the discount rate would result in a decrease (increase) of approximately 13% in the projected benefit obligation.

The inflation rates were determined for each monetary area. A 100-basis-point increase (decrease) in the inflation rate (with an unchanged discount rate) would result in an increase (decrease) of approximately 13% in the projected benefit obligation.

18.3.6 Estimated employer contributions payable in 2025 under defined benefit plans

The Group expects to pay around €194 million in contributions into its defined benefit plans in 2025, including €129 million for EGI sector companies. Annual contributions in respect of EGI sector companies will be made by reference to rights vested during the year, taking into account the funding level for each entity in order to even out contributions over the medium term.

18.4 Defined contribution plans

In 2024, the Group recorded a €88 million expense in respect of amounts paid into Group defined contribution plans of which €9 million concerning multi-employer plans in Netherlands (compared with €92 million in 2023, of which €8 million concerned multi-employer plans in the Netherlands). These contributions are recorded under "Personnel costs" in the consolidated income statement.

NOTE 19 SHARE-BASED PAYMENTS

ACCOUNTING STANDARDS

Under IFRS 2, share-based payments made in consideration for services provided are recognized as personnel costs. These services are measured at the fair value of the instruments awarded.

The fair value of bonus share plans is estimated by reference to the share price at the grant date, taking into account the fact that no dividend is payable over the vesting period, and based on the estimated turnover rate for the employees concerned and the probability that the Group will meet its performance targets. The cost of shares granted to employees is expensed over the vesting period of the rights and offset against equity.

A Monte Carlo pricing model is used for performance shares granted on a discretionary basis and subject to external performance criteria.

Expenses recognized in respect of share-based payments break down as follows:

	Expense for the year	
In millions of euros	**Dec. 31, 2024**	**Dec. 31, 2023**
Employee share issues(1)	(51)	1
Bonus/performance share plans(2)	(45)	(46)
TOTAL	**(96)**	**(45)**

(1) Including Share Appreciation Rights set up within the scope of employee share issues in certain countries.
(2) Following a review of the performance and presence conditions of plans whose vesting period ended in 2024, an additional expense of €3.5 million was recognized in 2024. No adjustment in respect of these conditions had been recognized for plans delivered in 2023.

19.1 Link 2024

19.1.1 Description of available ENGIE share plans

In 2024, Group employees and former Group employees were entitled to purchase ENGIE shares as part of the "Link 2024" worldwide employee share ownership plan. The offering mainly involved the sale of treasury shares. Employees could subscribe to either:

- the Link Classique Plan: this plan allows employees to subscribe to shares at a discount, either directly or *via* an employee mutual fund and with an employer top-up contribution;
- the Link Multiple Plan: under this plan, employees may subscribe to shares at a discount, either directly or *via* an employee mutual fund, and also benefit from any increase in the share price (leverage effect) in addition to the amounts invested. Through a Swap Agreement with the bank that structures the Plan, employees are guaranteed to recover 100% of the invested amount as well as a minimum capitalized return;
- Share Appreciation Rights (SARs): this leveraged plan entitles beneficiaries who purchase shares to receive a cash bonus equal to the increase in the share price after a period of five years. The resulting employee liability is covered by warrants.

The Link Classique Plan featured an employer top-up contribution corresponding to 200% of the employee contribution up to €250 and hence limited to €500.

19.1.2 Accounting impacts

The subscription price for the 2024 plan represents the average closing price of the ENGIE share on Euronext Paris between August 26, 2024 and September 20, 2024 inclusive. The reference price is set at €15.86 less 20% for the Link Classique and the Link Multiple plans, i.e. €12.69.

The expense recognized in the consolidated financial statements in respect of the Link Classique, and Link Multiple plans corresponds to the difference between the fair value of the shares subscribed and the subscription price.

The accounting impacts break down as follows:

	Link Classique	Link Multiple	Link Classique France – employer top up contribution	Total
Amount subscribed *(in millions of euros)*	55	100	-	155
Number of shares subscribed *(in millions of shares)*	4.3	7.8	1.1	13.3
Discount *(in euros/share)*	3.2	3.2	15.9	-
COST FOR THE GROUP *(IN MILLIONS OF EUROS)*	**14**	**25**	**12**	**50**

Subscriptions to the Link 2024 plan totaled €155 million and break down as follows:

- the sale of treasury shares to employees amounted to €128 million;
- a capital increase and additional paid-in capital of €27 million (excluding issuance costs).

The Group recognized a total expense of €50 million for 2024 in respect of the 12.2 million shares subscribed and the 1.1 million bonus shares awarded under employer top-up contributions (for which an expense of €4 million remains to be recognized over the residual period of the plan).

The accounting impact of cash-settled Share Appreciation Rights consists in recognizing a payable to the employee over the vesting period, with a corresponding adjustment recorded in profit or loss.

19.2 Performance shares

19.2.1 New awards in 2024

ENGIE Performance Share plan of April 30, 2024

On April 30, 2024, the Board of Directors approved the award of 5.7 million performance shares to members of the Group's executive and senior management. This plan consists of performance shares vesting on April 29, 2027. At April 30, 2027, the shares are transferable without further restriction.

In addition to a condition requiring employees to be employed with the Group at the vesting date, each tranche is made up of instruments subject to three different conditions, excluding the first 500 performance shares granted to beneficiaries (excluding senior management), which are exempt from performance conditions. The performance conditions are as follows:

- a condition relating to the evolution of the Total Shareholder Return (TSR) of the ENGIE share over three years, the reference price corresponding to the average of the index and the last 40 quoted prices for the ENGIE share preceding the first day of the month of the grant, this average being compared with the same measurement three years later, which accounts for 35% of the total award;
- a condition relating to the level of Return On Average Capital Employed (ROACE), which accounts for 35% of the total award;
- a condition relating to non-financial criteria in terms of greenhouse gas emissions linked to energy production, an increase in the proportion of renewable capacities and an increase in the proportion of women in management, which accounts for 30% of the total award.

Under this plan, performance shares without conditions were also awarded notably to the winners of the Innovation and Incubation programs (86,050 shares awarded).

ENGIE Bonus Share plan of September 30, 2024

As part of the Link 2024 employee share plan, bonus shares were awarded to subscribers of the Link Classique plan (outside France). A total of 359,469 bonus shares were awarded under this plan (see Note 19.1.1 “Description of available ENGIE share plans”).

19.2.2 Fair value of bonus share plans with or without performance conditions

The following assumptions were used to calculate the unitary fair value of the new plans awarded by ENGIE in 2024:

Award date	Vesting date	End of the lock-up period	Price at the award date	Expected dividend	Market-related performance condition	Unitary fair value
April 30, 2024	April 30, 2024	April 29, 2027	16.3	1.20	yes	11.37
September 30, 2024	November 7, 2029	November 7, 2029	15.9	1.12	no	10.69

19.2.3 Review of internal performance conditions applicable to the plans

In addition to the condition of continuing employment within the Group, eligibility for certain bonus share and performance share plans is subject to an internal performance condition. When this condition is not fully met, the number of bonus shares granted to employees is reduced in accordance with the plans’ regulations, leading to a decrease in the total expense recognized in relation to the plans in accordance with IFRS 2. Performance conditions are reviewed at each reporting date.

NOTE 20 RELATED PARTY TRANSACTIONS

This note describes material transactions between the Group and its related parties.

Compensation payable to key management personnel is disclosed in Note 21 "Executive compensation".

Transactions with joint ventures and associates are described in Note 3 "Investments in equity method entities".

Only material transactions are described below.

20.1 Relations with the French State and with entities owned or partly owned by the French State

20.1.1 Relations with the French State

The French State's interest in the Group at December 31, 2024 remained unchanged at 23.64% compared with the previous year. This entitles it to three of the 14 seats on the Board of Directors (one Director representing the State appointed by decree, and two Directors appointed by the Shareholders' Meeting at the proposal of the State).

The French State holds 34.13% of the theoretical voting rights (34.23% of exercisable voting rights) compared with 33.80% at end-2023.

On May 22, 2019, the PACTE Law ("Action plan for business growth and transformation") was enacted, enabling the French State to dispose of its ENGIE shares without restriction.

In addition, the French State holds a golden share aimed at protecting France's critical interests and ensuring the continuity and safeguarding of supplies in the energy sector. The golden share is granted to the French State indefinitely and entitles it to veto decisions taken by ENGIE if it considers they could harm France's interests.

Public service engagements in the energy sector are defined by the law of January 3, 2003.

Transmission rates on the GRTgaz transportation network and the gas distribution network in France, as well as rates for accessing the French LNG terminals and revenues from storage capacities, are all regulated.

The Law on Energy and Climate enacted on November 8, 2019 provided for the phase out of regulated gas tariffs and the restriction of regulated electricity tariffs to residential consumers and small businesses. Regulated gas tariffs were phased out on July 1, 2023.

20.1.2 Relations with EDF

Following the creation on July 1, 2004 of the French gas and electricity distribution network operator (EDF Gaz de France Distribution), Gaz de France SA and EDF entered into an agreement on April 18, 2005 setting out their relationship as regards the distribution business. The December 7, 2006 law on the energy sector reorganized the natural gas and electricity distribution networks. Enedis SA, a subsidiary of EDF SA, and GRDF SA, a subsidiary of ENGIE SA, were created on January 1, 2007 and December 31, 2007, respectively, and act in accordance with the agreement previously signed by the two incumbent operators.

With the deployment of smart meters for both electricity and gas, the "common" businesses deployed by the two distributors evolved significantly. Since 2024, the remaining mixed activities have been reduced to occupational medicine, medical advice and the management of rates for residential customers. A project coordinated by the two distributors aims to finalize the unbundling of these activities.

20.2 Relations with the CNIEG *(Caisse nationale des industries électriques et gazières)*

The Group's relations with the CNIEG, which manages all old-age, death and disability benefits for active and retired employees of the Group who belong to the special EGI pension plan, employees of EDF and Non-Nationalized Companies (*entreprises non nationalisées* – ENN), are described in Note 18 "Post-employment benefits and other long-term benefits".

NOTE 21 EXECUTIVE COMPENSATION

The executive compensation presented below includes the compensation of the members of the Group's Executive Committee and Board of Directors.

The Executive Committee had 10 members at December 31, 2024 unchanged compared to December 31, 2023.

Their compensation breaks down as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Short-term benefits	27	23
Share-based payments	6	4
TOTAL	**33**	**27**

NOTE 22 WORKING CAPITAL REQUIREMENTS, INVENTORIES, OTHER ASSETS AND OTHER LIABILITIES

ACCOUNTING STANDARDS

In accordance with IAS 1, the Group's current and non-current assets and liabilities are shown separately in the consolidated statement of financial position. For most of the Group's activities, the breakdown into current and non-current items is based on when assets are expected to be realized, or liabilities extinguished. Assets expected to be realized or liabilities extinguished within 12 months of the reporting date are classified as current, while all other items are classified as non-current.

Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value corresponds to the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is determined based on the first-in, first-out method or the weighted average cost formula.

Nuclear fuel purchased is consumed in the process of producing electricity over a number of years. The consumption of this nuclear fuel inventory is recorded based on estimates of the quantity of electricity produced per unit of fuel.

Gas inventories

Gas injected into underground storage facilities includes working gas, which can be extracted without adversely affecting the subsequent operation of the reservoirs, and cushion gas, which is inseparable from the reservoirs and essential for their operation (see Note 13.3 "Property, plant and equipment").

Working gas is classified in inventories and measured at weighted average purchase cost upon entering the transportation network regardless of its source, including any regasification costs.

Group inventory outflows are valued using the weighted average unit cost method.

Certain inventories are used for trading purposes and are recognized at fair value less selling costs, in accordance with IAS 2. Any changes in said fair value are recognized in the consolidated income statement for the year in which they occur.

Greenhouse gas emission rights, energy saving certificates and green certificates

In the absence of specific IFRS standards or IFRIC interpretations on accounting for greenhouse gas emission allowances, energy saving certificates and green certificates, the Group has decided to recognize certificates in inventories at their acquisition or production cost. At the reporting date, a liability is recognized if the certificates held by the Group are insufficient to meet the obligation to return certificates to the French government. When not covered by the certificates held in inventories, the liability is measured at the market value or based on the price of any future contracts that have been entered into, when applicable.

Tax equity

The ENGIE Group finances its renewables projects in the United States through tax equity structures, in which part of the necessary funds is provided by a tax partner. The tax partner obtains, up to a pre-determined level, a preferential right essentially to the project's tax credits, which it can deduct from its own tax base.

The tax partner's investments meet the definition of a liability under IFRS. Since the tax equity liability corresponding to these tax benefits does not give rise to any cash outflow for the project entity, it does not represent a financial debt and is accounted for in "Other liabilities".

Besides the unwinding effect, the liability changes mainly in line with the tax credits allocated to the tax partner and recognized in profit or loss.

22.1 Composition of change in working capital requirements

In millions of euros	Change in working capital requirements at Dec. 31, 2024	Change in working capital requirements at Dec. 31, 2023
Inventories	1,140	3,003
Trade and other receivables, net	4,266	12,507
Trade and other payables, net	(2,564)	(13,554)
Tax and employee-related receivables/payables	(601)	(325)
Margin calls and derivative instruments hedging commodities relating to trading activities	(1,198)	(1,113)
Other	(1,270)	(120)
TOTAL	**(227)**	**397**

22.2 Inventories

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Inventories of natural gas, net	2,139	2,218
Inventories of uranium[(1)]	301	307
CO_2 emissions allowances, green certificates and energy saving certificates, net	1,546	1,535
Inventories of commodities other than gas and other inventories, net	1,074	1,283
TOTAL	**5,061**	**5,343**

(1) Financial hedging instruments are backed by these uranium inventories and represented a negative amount of €13 million at December 31, 2024.

22.3 Other assets and other liabilities

	Dec. 31, 2024				Dec. 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
In millions of euros	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Other assets and liabilities	908	12,395	(2,591)	(16,565)	990	13,424	(3,614)	(18,118)
Tax receivables/payables	*-*	*7,906*	*-*	*(8,711)*	*-*	*9,436*	*-*	*(10,415)*
Employee receivables/payables	*646*	*20*	*(3)*	*(2,638)*	*531*	*16*	*(2)*	*(2,503)*
Dividend receivables/payables	*-*	*170*	*-*	*(190)*	*-*	*127*	*-*	*(20)*
Other	*262*	*4,299*	*(2,588)*	*(5,026)*	*459*	*3,845*	*(3,613)*	*(5,178)*

At December 31, 2024, other assets included a receivable towards EDF in respect of nuclear provisions amounting to €637 million (€654 million at December 31, 2023).

Other liabilities include €1,975 million in investments made by tax partners as part of the financing of renewable projects in the United States by tax equity (€2,140 million at December 31, 2023).

NOTE 23 LEGAL AND ANTI-TRUST PROCEEDINGS

The Group is party to a number of legal and anti-trust proceedings with third parties or with legal and/or administrative authorities (including tax authorities) in the normal course of its business.

The main disputes and investigations presented hereafter are recognized as liabilities or give rise to contingent assets or liabilities.

In the ordinary course of its business, the Group is involved in a number of disputes and investigations before state courts, arbitral tribunals or regulatory authorities. The disputes and investigations that could have a material impact on the Group are presented below.

23.1 Networks

23.1.1 Brazil – Challenge regarding goodwill amortization and financial expenses

The Brazilian tax authorities are challenging the deduction by Transportadora Associada de Gas ("TAG") of goodwill amortization and financial expenses recognized in 2019 following the merger of TAG's acquisition company with TAG.

The reassessment amounts to approximately BRL 767 million (BRL 499 million attributable to ENGIE) and BRL 2,448 million (BRL 1,591 million attributable to ENGIE) for 2019 and 2020, respectively. The company has lodged an administrative appeal against these reassessments.

23.2 Energy Solutions

23.2.1 Spain – Púnica

In the Púnica case (procedure concerning the awarding of contracts), 15 Cofely España employees, as well as the company itself, were placed under investigation by the examining judge in charge of the case. The criminal investigation was closed on July 19, 2021 with the referral of Cofely España and eight (former) employees before the criminal court. Cofely España lodged an appeal against this decision on September 30, 2021. On March 9, 2022, the appeal was dismissed and the referral decision upheld. The hearings are expected to begin in spring 2025.

23.2.2 Italy – Manitalidea

In 2012, ENGIE Servizi formed a temporary association ("*associazione temporanea di imprese*" or "ATI") with Manitalidea with the aim of submitting a bid for a public contract launched by CONSIP. ENGIE Servizi had an 85% stake in the ATI, with Manitalidea holding the remaining 15%. The purpose of the contract was to provide energy and maintenance services to hospitals.

In September 2012, three lots of the contract were awarded to the ATI.

On March 11, 2022, Manitalidea filed for damages against ENGIE Servizi in the Rome Civil Court, claiming that (i) ENGIE Servizi had not complied with the provisions of the temporary association agreement relating to the distribution of contracts between the partners, and (ii) as a result, Manitalidea had missed an opportunity to increase its revenue. After Manitalidea filed for bankruptcy, the claim was extended to include the alleged responsibility of ENGIE Servizi for Manitalidea's financial difficulties and bankruptcy.

As part of the first-instance proceedings, a technical assessment by a court-appointed expert is currently underway.

23.3 FlexGen

23.3.1 Italy – Vado Ligure

On March 11, 2014, the Court of Savona seized and closed down the VL3 and VL4 coal-fired production units at the Vado Ligure thermal power plant belonging to Tirreno Power S.p.A. (TP), a company which is 50%-owned by the ENGIE Group. This decision was taken as part of a criminal investigation against the present and former executive managers of TP into environmental infringements and public health risks. The investigation was closed on July 20, 2016. The case was referred to the Court of Savona to be tried on the merits. The proceedings before the Court of First Instance began on December 11, 2018 and carried on into 2023, seeking the liability of the former members of the Board of Directors and management. Third parties, including the Italian Ministry of the Environment and Ministry of Health, joined the proceedings to claim damages. On October 3, 2023, the Court of Savona acquitted all 26 directors and managers of all charges. The subsidiary Tirreno Power SpA, in which ENGIE has a 50% stake, has also been acquitted. The decision was notified in January 2024. The public prosecutor appealed the decision in February 2024 along with the Ministry of Health, the Ministry of the Environment, and two citizens associations. The date of the first hearing before the Court of Appeal has not yet been set.

23.3.2 Italy – exceptional tax on the energy sector

In December 2022, ENGIE filed an action against the tax authorities to obtain the reimbursement of the tax it had paid in July and November 2022 for a total amount of more than €308 million, pursuant to two legislative decrees (No. 21 and No. 50/2022) that introduced an exceptional solidarity contribution to be paid by operators in the energy sector. ENGIE contests the validity of the basis of the tax in relation to the decree's objective, its compatibility with the Italian Constitution and its compatibility with Italy's European commitments (EU law). The Italian Constitutional Court upheld the tax's conformity with the Constitution and referred the case to the Milan Court of First Instance. ENGIE continues to defend its interests, in particular with regard to the tax's compatibility with European law, and is requesting a referral to the Court of Justice of the European Union (CJEU).

23.3.3 Flémalle – EPC

In November 2021, Electrabel SA entered into an EPC (Engineering, Procurement, Construction) agreement with SEPCO III for the construction of a gas-fired power plant in Flémalle (Belgium), in the context of the CRM (Capacity Remuneration Mechanism).

In August 2022, Electrabel SA terminated the EPC agreement with SEPCO III for non-performance of its contractual obligations and initiated arbitration proceedings in November 2022, to obtain compensation for the damage sustained.

SEPCO III filed a counterclaim against Electrabel seeking damages to cover the alleged loss it had sustained due to the termination of the contract. The proceedings are currently ongoing.

23.3.4 Brazil – Claim against sales tax adjustments

ENGIE Brasil Energia SA was subject to a tax reassessment covering fiscal years 2014, 2015, 2016 and 2018 in respect of federal value-added taxes (PIS and COFINS) for refunds relating to fuel used in the production of energy by thermopower plants. The total amount at stake is 874 million Brazilian real, including a principal amount of 259 million.

The company is contesting these reassessments and has lodged administrative appeals. The administrative appeals for fiscal years 2014, 2015 and 2016 were rejected and the company initiated the discussion at the judicial court. The company is awaiting a decision at appeal level, following an unfavorable decision at first instance. The administrative appeal for 2018 is being examined.

In 2023, Diamante Geraçao de Energia (controlled by ENGIE Brasil Energia SA at the time and owner of the thermopower plants) was also subject to reassessments for the tax treatment of comparable fuel reimbursements. The reassessments concerned both PIS and COFINS taxes (fiscal years 2019 and 2020) and corporate income tax (fiscal year 2018). The total amount at stake is 604 million Brazilian real, including a principal amount of 261 million. Although ENGIE Brasil Energia SA sold this company in 2021, it remains financially responsible under the vendor's warranty regarding the years prior to the sale. The company is contesting these reassessments and has lodged an administrative appeal, which is currently under review.

If ENGIE Brasil Energia SA and/or Diamante Geracao de Energia are not successful before the administrative courts, these cases could also be referred to the ordinary courts.

23.3.5 Peru – Antamina

In 2012, following a tender for the annual purchase of 170 MW for a period extending from 2015 until 2032, ENGIE Energía Perú S.A. entered into a long-term gas purchase agreement with the Peruvian mining company Antamina (the "Agreement").

In 2021, however, Antamina launched another tender for the same annual volume and entered into three purchase agreements with the three new suppliers for a period starting January 2022, until June 2024. This called into question the exclusivity that ENGIE Energía Perú S.A. believed it had been granted until 2032 under the Agreement. Following the signing of these new agreements, Antamina divided its gas procurement between ENGIE and three new suppliers, and refused, as of January 2022, to accept exclusively from ENGIE delivery of the agreed upon quantity of gas under the Agreement and, consequently, to pay the corresponding invoices (approximately 50% of the monthly needs of Antamina).

On April 26, 2022, ENGIE Energía Perú S.A. filed an arbitration procedure against Antamina, seeking recognition of the exclusive nature of the Agreement and Antamina's obligation to only procure gas supplies from ENGIE up to the 170 MW gas contracted, from the start date of the Agreement (January 2015) until the end date (December 2032). The procedure also seeks the payment of invoices that have been outstanding since January 2022. The arbitration procedure is governed by the rules of the Arbitration Center of the Lima Chamber of Commerce. On January 4, 2023, ENGIE Energía Perú S.A. filed its pleadings.

On May 20, 2024, the Arbitration Center issued its decision, which was favorable to ENGIE Energía Perú S.A. The Arbitration Center ruled that ENGIE Energía Perú S.A. was to be the sole supplier of Antamina for up to 170 MW per year, and that Antamina had breached the signed Agreement when contracting with third-party suppliers. The Arbitration Center dismissed Antamina's action for annulment, putting an end to the proceedings. Antamina has paid the amount set by the Arbitration Center and the case is now closed.

23.3.6 Chile – TotalEnergies

On January 3, 2023, ENGIE Energía Chile SA initiated international arbitration proceedings against TotalEnergies Gas & Power Limited for breaching its contractual obligations under an LNG supply contract entered into in August 2011. The proceedings are currently ongoing.

23.3.7 Chile – ENGIE Austral

The Chilean tax authorities contest the price at which ENGIE Austral (ENAU) sold its shares in Eolica Monte Redondo (EMR) to ENGIE Energía Chile (EECL) in 2020 alleging that the price at which ENAU sold EMR to EECL was significantly below market price. In June 2024, the authorities ordered ENAU to pay a penalty of USD 62 million, plus interest and fines, representing a total of USD 108 million. Following ENAU's challenge of the adjustment, the Chilean tax authorities reduced the penalty to around USD 52 million (including interest and fines). The administrative stage is over and ENAU will contest the decision before the local courts in the first half of 2025.

23.4 Nuclear

23.4.1 Extension of operations at the nuclear power plants 2015-2025

Various associations have brought actions before the Constitutional Court, the *Conseil d'État* and the ordinary courts against the laws and administrative decisions authorizing the extension of operations at the Doel 1 and Doel 2 plants. On June 22, 2017 the Constitutional Court referred the case to the Court of Justice of the European Union (CJEU) for a preliminary ruling. In its judgment of July 29, 2019, the CJEU ruled that the Belgian law extending the operating lives of the Doel 1 and Doel 2 reactors (law extending Doel 1 and Doel 2) was adopted without the required environmental assessments being carried out first, but that the effects of the law on extension could provisionally be maintained where there was a genuine and serious threat of an interruption to the electricity supply, and then only for the length of time strictly necessary to eliminate this threat. In its decision of March 5, 2020, the Constitutional Court overturned the law extending Doel 1 and Doel 2, while maintaining its effects until the legislator adopts a new law after having carried out the required environmental assessment, including a cross-border public consultation process, by December 31, 2022 at the latest.

The environmental assessment and the cross-border public consultation were carried out by the Belgian State in 2021. The draft law incorporating the conclusion of the assessment and the consultation was passed by the Belgian Federal Parliament on October 11, 2022 and the law was published on November 3, 2022.

The appeal before the *Conseil d'État* against the administrative decisions that allowed the extension of operations at the Doel 1 and Doel 2 plants is still pending. The auditor submitted his report on January 21, 2025, concluding that the appeal was inadmissible.

23.4.2 Shutdown of the Doel 3 and Tihange 2 power plants

Various associations have lodged appeals before the Brussels Court of First Instance against Electrabel, the Belgian State, the Nuclear Safety Authority and/or the Elia electricity transmission network to contest the decisions and actions to shut down the Doel 3 (on September 23, 2022) and/or Tihange 2 (on January 31, 2023) power plants. In a first judgment dated November 16, 2022, the Brussels Court of First Instance, ruling in summary proceedings in one of the cases, confirmed the decisions and actions taken in relation to the shutdown. The applicants in this case withdrew their action on the merits. In the second case on the merits, a judgment was handed down on June 30, 2023, rejecting the interim measures requested, including the request to prohibit Electrabel from taking any irreversible action in connection with the shutdown of Doel 3 and Tihange 2. The case is continuing on the merits, with no precise timetable at this stage.

23.4.3 Appeal against the Belgian energy regulator's decision implementing the law of December 16, 2022 introducing a cap on electricity producers' market revenues

Electrabel lodged an appeal with the Belgian Market Court (*Cour des Marchés*) on March 29, 2023 against the decision of the Belgian energy regulator (CREG) to implement the December 16, 2022 law introducing a cap on electricity producers' market revenues for 2022. Electrabel lodged a second action for annulment with the same court against the same regulator's decision for 2023 revenues.

Electrabel contests the validity of this revenue cap, arguing that it is contrary to the European Regulation that introduced it, notably because it falsely determines market revenues using presumptions and not on the basis of revenues actually received, as provided for by the Regulation, and because it is implemented retroactively from August 1, 2022, outside the period covered by the Regulation. The Market Court handed down its ruling in the first case on October 18, 2023, finding that the action was admissible and prima facie founded, and referred three questions to the Court of Justice of the European Union for a preliminary ruling. On January 10, 2025, CREG lodged an appeal against this ruling. The second case was heard on January 10, 2024, and the ruling handed down on January 31 suspends delivery until the Court of Justice of the European Union has ruled on the first case.

An appeal was also lodged with the Constitutional Court in June 2023, and was joined with the actions for annulment lodged by the various parties. The Court handed down its ruling on June 20, 2024, referring 15 questions to the Court of Justice of the European Union for a preliminary ruling. In addition to the above-mentioned appeals, a claim for restitution of the 2022 tax has been lodged, as well as an appeal to the Court of First Instance for the annulment of the tax.

23.4.4 Arbitration procedure in application of the Tihange 1 and Doel 1 and 2 agreements following the adoption of the law of December 16, 2022 introducing a cap on electricity producers' market revenues

On October 17, 2023, Electrabel initiated arbitration proceedings against the Belgian State for the breach of the agreements signed for the extension of Tihange 1 on March 12, 2014 and the extension of Doel 1 and Doel 2 on November 30, 2015. These agreements excluded, by virtue of the royalties paid, any other charges in favor of the State (with the exception of general application taxes) linked to the ownership or operation of Tihange 1 or Doel 1 and Doel 2, the revenues, production or production capacity of these plants, or their use of nuclear fuel. Under the terms of the agreements, Electrabel is claiming the reimbursement of the tax paid for 2022 and the levy for 2023 on these plants.

23.5 Other

23.5.1 Withholding tax

In their tax deficiency notice dated December 22, 2008, the French tax authorities questioned the treatment as corporate income tax of the non-recourse Dailly sale by SUEZ (now ENGIE) of a disputed withholding tax (*précompte*) receivable in 2005 for an amount of €995 million (receivable relating to the *précompte* paid in respect of the 1999-2003 fiscal years). The Montreuil Administrative Court handed down a judgment in ENGIE's favor in 2019, which led the French tax authorities to appeal the decision before the Versailles Court of Appeal, which overturned the prior Court's decision in 2021. On April 14, 2023, the *Conseil d'État* overturned the Court's ruling on the grounds that the assigned claim should be classified as an advance repayment of non-deductible tax, irrespective of the fact that the State had not authorized its repayment by the bank assigning the claim, and that the repayment was only partial. The *Conseil d'État* referred the case back to the Versailles Administrative Court of Appeal to decide on the basis of a procedure that made the tax treatment of the disputed assignment of receivables in 2005 dependent on the outcome of the *précompte* litigation itself. No decision was handed down in 2024.

With regard to the withholding tax litigation, all the proceedings to which ENGIE was a party have now terminated, thereby limiting the financial consequences of the aforementioned 2005 Dailly sale.

23.5.2 Poland – Competition procedure

On November 7, 2019, a fine of 172 million Polish zloty (€40 million) was imposed on ENGIE Energy Management Holding Switzerland AG (EEMHS) for failing to respond to a request for disclosure of documents from the Polish Competition Authority (UOKiK) in proceedings initiated by the UOKiK which suspected a potential failure to notify by EEMHS and other financial investors involved in the financing of the Nord Stream 2 pipeline (main proceedings). EEMHS filed an appeal with the Competition Protection Court. On November 7, 2023, the Court reduced the penalty to around €100,000. The UOKiK has appealed this decision to the Warsaw Court of Appeal (2nd instance). The proceedings are pending.

In the context of the main proceedings, on October 6, 2020, the UOKiK ordered EEMHS to pay a fine of 55.5 million Polish zlotys (approximately €12.3 million). The UOKiK also ordered the termination of the financing agreements for the Nord Stream 2 project. On November 5, 2020, EEMHS appealed this decision with the Competition Protection Court (the "Court"). The appeal automatically suspends the execution of all of the penalties ordered by the UOKiK. On November 21, 2022, the Court overturned the UOKiK's decision in its entirety. The UOKiK has appealed this decision. On October 16, 2023, the Warsaw Court of Appeal (2nd instance) upheld the lower court's decisions, which overturned the UOKIK's decision in its entirety. The UOKiK has not lodged an appeal before the court of cassation. The proceedings are now definitively closed.

23.5.3 Claim by the Dutch tax authorities related to interest deductibility

Based on a disputable interpretation of a statutory modification that came into force in 2007, the Dutch tax authorities refused the deductibility of a portion (€1.1 billion) of the interest paid on financing contracted for the acquisition of investments made in the Netherlands since 2000. Following the Dutch tax authorities' rejection of the administrative claim against the 2007 tax assessment, action was brought before the Arnhem Court of First Instance in June 2016. On October 4, 2018, the court ruled in favor of the tax authorities. On October 26, 2020, the ruling was confirmed by the Arnhem Court of Appeal. ENGIE Energie Nederland Holding BV considers that the Court committed errors in law and that its decision was not well-founded, under either Dutch or European law. It has therefore appealed the decision before the Court of Cassation. In July 2022, the Court of Cassation decided to refer questions on the compatibility of the Dutch legislation on interest with three of the European fundamental freedoms to the Court of Justice of the European Union for a preliminary ruling. In October 2024, the Court of Justice of the European Union ruled that Dutch legislation was compatible with the Treaties and European case law. The case has been referred to the Dutch Court of Cassation, which is expected to issue a ruling in 2025.

23.6 GEMS

23.6.1 GPE

At the beginning of the fourth quarter of 2022, ENGIE initiated an arbitration procedure against Gazprom Export LLC seeking, in particular to obtain (i) recognition of Gazprom Export LLC's non-performance of its gas delivery obligations towards ENGIE under long-term gas delivery agreements and (ii) payment of contractual penalties as well as compensation for damage resulting from this non-performance from Gazprom Export LLC.

This arbitration procedure is due to the significant delivery shortages by Gazprom Export LLC to ENGIE as of mid-June 2022, followed by Gazprom Export LLC's unilateral decision at the end of summer 2022 to reduce its deliveries to ENGIE due to a disagreement between the parties on the application of the agreements.

NOTE 24 SUBSEQUENT EVENTS

24.1 Changes in the Group's organization as from February 1, 2025

The Group changed the scope of its Global Business Units (GBU) in 2025, as follows:

- the Renewables & Flex Power GBU combines renewables, power storage facilities (notably batteries) and combined-cycle gas turbines (CCGT);
- the Networks GBU continues to develop power networks and adapt gas infrastructure to green molecules, while promoting their development (biomethane, hydrogen and e-molecules);
- the Local Energy Infrastructures GBU develops and operates decentralized energy systems, while increasing selectivity and geographical concentration;
- the Supply & Energy Management GBU brings together energy management previously part of the GEMS operating entity, as well as BtoB and BtoC (Retail).

The Nuclear operating entity continues to focus on the operational management of nuclear production units in Belgium and the rights held in the French power plants.

This change in the Group's organization, effective from February 1, 2025, will impact the identification of IFRS 8 operating segments and reportable segments as from the 2025 fiscal year, but had no impact on their presentation at December 31, 2024.

24.2 Agreement with the Belgian State on the 10-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State

On February 21, 2025, the European Commission approved, pursuant to EU State aid rules, the agreement between ENGIE and the Belgian government announced on December 13, 2023, regarding the extension of the operations of the Tihange 3 and Doel 4 nuclear reactors as well as the obligations relating to nuclear waste. As a result, ENGIE and the Belgian government are currently completing various procedural steps in order to finalize the transaction by March 14, 2025 at the latest.

24.3 Sale of thermal and seawater desalination assets in Kuwait and Bahrein

On February 18, 2025, ENGIE signed a sales agreement with ACWA Power for the sale of its assets in Kuwait and Bahrain for a total of USD 0.7 billion. The transaction covers 4.61 GW of gas-fired power generation capacity and 1.11 million cubic meters per day (cu.m/day) of seawater desalination facilities, as well as the corresponding operating and maintenance companies in Kuwait and Bahrain. Completion of the transaction remains subject to applicable regulatory approvals.

NOTE 25 FEES PAID TO THE STATUTORY AUDITORS AND TO MEMBERS OF THEIR NETWORKS

Pursuant to Article 222-8 of the General Regulations of the French Financial Markets Authority (AMF), the following table presents information on the fees paid by ENGIE SA, its fully consolidated subsidiaries and joint operations to each of the Auditors in charge of auditing the annual and consolidated financial statements of the ENGIE Group.

The Shareholders' Meeting of ENGIE SA of May 14, 2020 decided to renew the terms of office of Deloitte and EY as Statutory Auditors for a six-year period from 2020 to 2025.

	Deloitte			EY			
In millions of euros	Deloitte & Associés	Network	Total	EY & Autres	Network	Total	Total
Statutory audit and review of consolidated and parent company financial statements	**5.6**	**7.8**	**13.4**	**6.7**	**10.8**	**17.6**	**31.0**
• **ENGIE SA**	2.9	-	2.9	3.8	-	3.8	6.7
• **Controlled entities**	2.8	7.8	10.5	2.9	10.8	13.8	24.3
Certification of sustainability information	**0.5**	**-**	**0.5**	**0.5**	**-**	**0.5**	**1.0**
• **ENGIE SA**	0.5	-	0.5	0.5	-	0.5	1.0
• **Controlled entities**	-	-	-	-	-	-	-
Missions and services other than certification of financial statements and sustainability information	**0.4**	**0.3**	**0.7**	**1.6**	**3.1**	**4.7**	**5.5**
• **ENGIE SA**	0.3	-	0.3	1.2	-	1.2	1.5
Of which services related to legal and regulatory requirements	-	-	-	*0.5*	-	*0.5*	*0.5*
Of which other audit services	*0.3*	-	*0.3*	*0.7*	-	*0.7*	*1.0*
Of which reviews of internal control	-	-	-	-	-	-	-
Of which due diligence services	-	-	-	-	-	-	-
Of which tax services	-	-	-	-	-	-	-
• **Controlled entities**	0.1	0.3	0.4	0.5	3.1	3.5	4.0
Of which services related to legal and regulatory requirements	-	*0.1*	*0.1*	*0.3*	*0.2*	*0.5*	*0.6*
Of which other audit services	*0.1*	*0.1*	*0.2*	*0.1*	*0.4*	*0.5*	*0.7*
Of which reviews of internal control	-	-	-	-	-	-	-
Of which due diligence services	-	-	-	-	*2.2*	*2.2*	*2.2*
Of which tax services	-	*0.1*	*0.1*	-	*0.3*	-	*0.4*
TOTAL	**6.5**	**8.1**	**14.6**	**8.9**	**13.9**	**22.8**	**37.5**

NOTE 26 INFORMATION REGARDING LUXEMBOURG AND DUTCH COMPANIES EXEMPTED FROM THE REQUIREMENTS TO PUBLISH ANNUAL FINANCIAL STATEMENTS

Some companies do not publish annual financial statements pursuant to domestic provisions under Luxembourg law (Article 70 of the Law of December 19, 2002) and Dutch law (Article 403 of the Civil Code) relating to the exemption from the requirement to publish audited annual financial statements.

The companies exempted are notably: ENGIE Energie Nederland NV, ENGIE Energie Nederland Holding BV, ENGIE Nederland Retail BV, ENGIE United Consumers Energie BV, ENGIE Treasury Management SARL and ENGIE Invest International SA.

6.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the information concerning the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2024

To the Engie Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Engie for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of the recoverable amount of goodwill, intangible assets and property, plant and equipment

(Notes 1.3 "Use of estimates and judgment", 9.1 "Impairment losses", 13.1 "Goodwill" and 13.4 "Impairment tests of goodwill, intangible assets and property, plant and equipment" to the consolidated financial statements)

Key audit matter	Our response

As at December 31, 2024, the net carrying amount of goodwill, intangible assets and property, plant and equipment amounted to €85.6 billion (after recognition of net impairment losses of €0.7 billion in 2024), or 45.2% of total assets, and breaks down as follows:
• Goodwill: €13.3 billion;
• Intangible assets: €8.0 billion;
• Property, plant and equipment: €64.4 billion.
To ensure that assets are recognized for a value that does not exceed their recoverable amount, your Group performs impairment tests in accordance with IAS 36 "Impairment of assets". Goodwill impairment tests are performed annually at the lowest level at which the goodwill is monitored for internal management purposes and, in the case of assets, at the level of Cash Generating Units (CGUs) as defined by your Group when there is an indication of impairment. As at December 31, 2024, goodwill therefore breaks down as follows between the various operating segments:
• Infrastructure: €5.3 billion;
• Renewables: €2.3 billion;
• Retail: €1.8 billion;
• Energy Solutions: €1.1 billion;
• FlexGen: €1.5 billion;
• Nuclear: €0.8 billion;
• Other: €0.5 billion.
For assets which your Group intends to hold on a going concern basis, the recoverable amount corresponds, in most cases, to the value in use, determined based on:
• cash flow projections on the basis of the 2025 budget and 2026-2027 medium-term business plan approved by the Executive Committee and the Board of Directors;
• beyond this timeframe, extrapolated future cash flow projections determined on the basis of macroeconomic assumptions (inflation, exchange rates and growth rates) and price projections featured in your Group's reference scenario, reviewed and validated by the Executive Committee and prepared by your Group for the period 2028-2050 based on fundamental supply and demand equilibrium models, the results of which can be considered mid-range between the International Energy Agency STEPS (Stated Energy Policies Scenario) and APS (Announced Pledges Scenario) scenarios or to approximate the ADEME scenario ("Green Technology") in the case of France. The considered climate and energy mix assumptions mainly include:
  • long-term CO_2 price projections in line with the targets of a 55% emissions reduction by 2030 and climate neutrality by 2050, set by the European Commission in the "European Green Deal" presented in December 2019 and July 2021;
  • a medium and long-term electricity price trajectory covered in the report produced by your Group as part of the Task Force on Climate-Related Financial Disclosures (TCFD) initiative, which opted for a balanced mix including renewable gas as well as carbon dioxide capture and storage to guarantee an energy system with the best levels of efficiency and resilience.
The commitments undertaken specifically by your Group with regard to climate-related issues, as set out in Note 1.3.3, in particular the complete withdrawal from coal activities by 2027 according to the outlook specific to each asset, are reflected in the values in use. These values are also based on key assumptions, presented in Note 13.4 to the consolidated financial statements, relating to the market outlook and changes in the regulatory environment, any modification in which could have a material impact on the values in use considered.
	We:
	• examined the definition of CGUs as well as the allocation of goodwill to the operating segments;
	• assessed the Group's measures aimed at identifying indications of impairment losses or reversals of impairment losses as well as the procedures used by Management for approving the estimates.
	• analyzed the data and key assumptions used to determine the recoverable amount of assets, assessed the sensitivity of the measurements to these assumptions and verified the calculations performed by your Group with the support of our valuation experts.
	For each CGU presenting a specific impairment loss risk, our procedures on values in use mainly covered:
	• the assumptions of the Group's long-term reference scenario (trends in electricity and gas prices and demand, price of CO_2, inflation) for which we assessed the consistency with external studies carried out by international organizations or energy experts, particularly with regard to the climate and energy mix;
	• the operational and regulatory assumptions used to prepare cash flow forecasts for which we assessed the consistency of the assets' operating conditions and their intrinsic performance as well as the applicable regulations to date and expected changes thereto;
	• methods for determining cash flow forecasts for which we assessed:
	  • the consistency of the baseline data with the budget, the medium-term business plan and, beyond, your Group's reference scenario;
	  • the consistency with past performance and market outlook.
	• the discount rates for which we examined the determination methods and the consistency with the underlying market assumptions, using internal valuation specialists;
	• Management's sensitivity analysis to the key price, operational and regulatory assumptions for which we assessed the relevance.
	For assets which your Group has decided to sell, we analyzed the highly probable nature of such sale, the items considered to assess the recoverable amount as well as the classification process in accordance with IFRS 5, "Non-current assets held for sale and discontinued operations."
	Finally, we assessed the appropriateness of the disclosures in Notes 1.3, 9.1 and 13.4 to the consolidated financial statements, notably on sensitivity analyses carried out by your Group.

Key audit matter	Our response

For goodwill, which has the greatest risk of impairment in our opinion, valuations are primarily based on the following decisive assumptions:
• for the Nuclear activity: your Group considered in particular:
  • the 10-year extension beyond 2025 of the operation of the Doel 4 and Tihange 3 units only within a dedicated legal structure, equally owned by the Belgian State and your Group, according to an economic model based on a contract for difference mechanism guaranteeing the value of the extension investments with a limited incentive for the industrial operator to achieve favorable technical and economic performance at the plants;
  • the operation until 2025 of the other Belgian nuclear units and the use, based on the residual duration of contracts and assuming a 10-year extension, of drawing rights for nuclear power plants in France, incorporating key assumptions in cash flow projections, such as the values assigned to fuel and CO_2 prices, changes in electricity demand and prices, the availability of power plants, the future prospects of markets and developments in the regulatory framework;
• regarding gas Infrastructure activities in France, your Group considered:
  • by 2050, maintaining its gas infrastructure network or its conversion to enable the supply of green gases (biomethane, hydrogen, etc.) that will gradually replace natural gas, due to the vital role of gas which represents a reliable energy source, able to supplement intermittent renewable energy sources that by nature are uncontrollable and difficult to store;
  • the draft Multi-Year Energy Schedule (PPE3), presented for consultation at the end of 2024, which introduces measures to reduce gas consumption and, in particular, a major objective to replace gas boilers with an alternative energy solution and particularly electricity. Your Group considers this objective to be unrealistic due to its economic sustainability for households and because of technical constraints that do not allow the installation of efficient electrical solutions or the connection to a heating network in almost half of dwellings. Therefore, your Group considers that the draft PPE3 does not call into question the energy mix scenario for 2050;
  • cash flow projections established using tariffs negotiated with the regulator (CRE) and terminal values corresponding to the expected value of the regulated asset base (RAB) for the valuation of its activities in France.
Finally, the recoverable amount of the non-strategic assets which your Group intends to sell is based on market value less costs of disposal.
We considered the measurement of the recoverable amount of goodwill, intangible assets and property, plant and equipment to be a key audit matter due to:
• he relative weight of these items in your Group's financial statements;
• management judgment and estimates, as well as the sensitivity of assessments to assumptions and particularly sector and regulatory assumptions;
• significant transactions as part of refocusing the Group's geographic presence and activities.	

Measurement of provisions relating to the back-end of the nuclear fuel cycle and the dismantling of nuclear facilities in Belgium

(Notes 1.3 "Use of estimates and judgment", 17 "Provisions" and 17.2 "Obligations relating to nuclear facilities" to the consolidated financial statements)

Key audit matter	Our response
As a nuclear operator, your Group has obligations relating to the management of radioactive nuclear fuel consumed and the dismantling of nuclear facilities operated in Belgium. The Belgian law of April 11, 2003, partially repealed and amended by the law of July 12, 2022, assigned the management of nuclear provisions to Synatom, a wholly-owned Group subsidiary and control of the process of determining these provisions, which is audited every three years, to the Commission for Nuclear Provisions (CNP). The next triennial review will take place in 2025. As of December 31, 2024, nuclear provisions of €24.5 billion (€23.9 billion as of December 31, 2023) are estimated in accordance with the legal and contractual framework, based on the agreement signed between your Group and the Belgian government on December 13, 2023. The implementing law was adopted on April 26, 2024. This agreement provides for: • a 10-year extension of the Doel 4 and Tihange 3 nuclear reactors, with the related dyssynergia costs borne by the Belgian State, confirmed by the CNP in its opinion of June 24, 2024 and accounted for as an addition to the dismantling provision of €0.2 billion recognized through a receivable on the Belgian State; • the transfer to the Belgian State of the financial responsibility for managing nuclear waste and spent fuel, within the limit of a volumetric credit covering all the nuclear waste produced by the Belgian power plants during their legal operating life, from their commissioning to their dismantling, in consideration for a lump-sum discharge payment of €15 billion$_{2022}$, including €5.1 billion in addition to liabilities previously recognized. The European Commission approved this agreement under EU State aid rules on February 21, 2025 and it is expected to be completed following the finalization of various procedural steps. Your Group will settle the lump-sum discharge payment of €15 billion$_{2022}$ (including the share attributable to Electrabel's partners in certain power plants) in two installations, i.e. an initial payment of €11.5 billion$_{2022}$ on closing, for category B and C waste, then a second payment of €3.5 billion$_{2022}$ on the restart of the extended units at the end of 2025, for category A waste. These amounts are indexed at a rate of 3% between January 1, 2023 and the date of payment. Following payment of these installments, your Group will primarily retain responsibility (i) for the on-site storage of fuel until the end of dismantling operations and no later than 2050, as well as their compliance with the contractual criteria for the transfer of waste to ONDRAF, (ii) and the definitive shutdown and dismantling of the nuclear power plants, including the treatment of category A and B waste resulting from these operations in accordance with the contractual transfer criteria. The corresponding liabilities, as set out in the law implementing the agreement, amount to €1.7 billion$_{2022}$ and €6.7 billion$_{2022}$ respectively. We considered the measurement of these provisions to be a key audit matter due to their respective material amounts and their sensitivity to the macroeconomic assumptions applied (inflation and discount rates), as well as changes in future nuclear waste storage and conditioning costs and unit shutdown and dismantling costs.	On the signature of the agreement with the Belgian government in December 2023, we assessed the impact on nuclear provisions of the extension of the operating life of the Doel 4 and Tihange 3 nuclear reactors and the transfer of obligations relating to the costs of managing spent fuel and nuclear waste in consideration for a lump-sum discharge payment of €15 billion$_{2022}$. In 2024, our procedures primarily consisted in reviewing: • the bases on which the provisions were assessed as of December 31, 2024, including the agreements signed between your Group and the Belgian government, the law implementing the agreement of April 26, 2024, as well as the CNP's decision of June 24, 2024; • the distinction between the obligations transferred to the Belgian State in accordance with the agreement signed with the government in consideration for a lump-sum discharge payment and the obligations retained by your Group, particularly with regard to the on-site storage of spent fuel, the definitive shutdown and dismantling of nuclear power plants as well as treatment and compliance of spent fuel and waste with the contractual criteria for the transfer to ONDRAF, as set out in the law implementing the agreement; • the indexation of amounts provided in respect of the €15 billion$_{2022}$ lump-sum discharge payment, in accordance with the provisions of the agreement with the Belgian government; • the recoverability of amounts receivable from Electrabel partners in some power plants representing their share in the €15 billion$_{2022}$ lump-sum discharge payment; Finally, we assessed the appropriateness of the disclosures in Notes 1.3, 17 and 17.2 to the consolidated financial statements, including in respect of post-balance sheet events, as well as the sensitivity of provisions relating to the obligations retained by your Group to changes in the key assumptions underlying their assessment.

Revenue relating to sales of electricity and gas delivered but not metered and not invoiced ("energy in the meter")

(Notes 1.3 "Use of estimates and judgment", 7.1 "Revenue" and 7.2.1 "Trade receivables and other debtors, contract assets" to the consolidated financial statements)

Key audit matter	Our response
Your Group makes estimates and uses judgments for the recognition of sales of electricity and gas delivered but not metered and not invoiced (known as "energy in the meter"). The measurement of revenue relating to sales of electricity and gas for customers which are only metered during the course of the accounting period represents a material estimate at the year end. As the meter readings are sometimes communicated by grid operators several months after the actual delivery date, your Group is required to estimate the energy delivered but not metered at the year end. As of December 31, 2024, receivables relating to revenue in the meter (delivered gas and electricity that is unbilled and un-metered) totaled €5.0 billion for France and Belgium. These receivables are determined using a method that takes into account an estimate of customers' consumption based on the previous bill, or the last metering not yet billed, in line with the volume of energy allocated by grid operators, using measurement and modeling tools developed by your Group. The volumes are measured at the average energy price, taking into account the customer type and the age of the energy in the meter. Considering the amount of revenue at stake and the sensitivity of the estimates to assumptions regarding average energy volumes and prices, and the judgments exercised, we have considered the estimate of the portion of un-metered revenue delivered to be a key audit matter.	The procedures conducted on the estimate of un-metered revenue delivered in France and Belgium mainly consisted in: • obtaining an understanding of the internal control procedures covering the billing process, and the processes securing the reliability of the accounting estimates for energy in the meter; • assessing the relevance of the estimation models and reviewing the methods of calculating estimated energy volumes by including an algorithm specialist in our audit team; • comparing the information on the volumes delivered and determined by the Group with the metering data provided by the grid operators; • verifying that the methods used to calculate the average price of the un-metered delivered power take account of its age in the meter and the different customer categories; • analyzing the consistency of the volumes committed in the employment operations (sales, injections and stocks) with energy resources (purchases, withdrawals and stock) on the networks; • assessing the regular clearance of the metered energy during the year ended December 31, 2024; • assessing the age of the energy in the meter at the year end. We also assessed the appropriateness of the disclosures in Notes 1.3, 7.1 and 7.2.1 to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of preparation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the Chief Executive Officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Engie by your Shareholders' Meeting held on July 16, 2008 for DELOITTE & ASSOCIES and on May 19, 2008 for ERNST & YOUNG et Autres.

As of December 31, 2024, we were both in the seventeenth year of uninterrupted engagement.

ERNST & YOUNG Audit was previously statutory auditor between 1995 and 2007.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821–27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 7, 2025

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES		**ERNST & YOUNG et Autres**	
Laurence Dubois	Nadia Laadouli	Sarah Kokot	Guillaume Rouger

6.4 PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2024

6.4.1 Parent company financial statements

Balance sheet

ASSETS

In millions of euros		Notes	Dec. 31, 2024 Gross	Dec. 31, 2024 Depreciation, amortization and impairment	Dec. 31, 2024 Net	Dec. 31, 2023 Net
NON-CURRENT ASSETS						
Intangible assets		3	2,289	1,594	696	630
Property, plant and equipment		3	976	649	327	346
Financial fixed assets		4				
Equity investments			76,873	8,927	67,946	63,897
Other financial fixed assets			579	10	569	74
TOTAL NON-CURRENT ASSETS	I		80,717	11,179	69,538	64,946
CURRENT ASSETS						
Inventories		5				
Gas reserves			1,126	-	1,126	1,959
Energy savings certificates			157	-	157	312
Other			814	10	804	721
Advances and downpayments given on orders			75	-	75	43
Operating receivables		6				
Trade and other receivables			7,712	1,182	6,530	9,169
Other miscellaneous receivables			1,029	-	1,029	1,226
Miscellaneous receivables						
Current accounts with subsidiaries			7,209	-	7,209	7,828
Other miscellaneous receivables			5,628	4	5,625	8,221
Marketable securities		7	4,611	-	4,611	4,751
Cash and cash equivalents			1,674	-	1,674	1,425
TOTAL CURRENT ASSETS	II		30,035	1,196	28,840	35,654
Accruals	III	8	4,317	-	4,317	6,073
Unrealized foreign exchange losses	IV	8	422	-	422	270
TOTAL ASSETS	(I TO IV)		115,491	12,375	103,116	106,944

NB: Amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals or changes.

EQUITY AND LIABILITIES

In millions of euros		Notes	Dec. 31, 2024	Dec. 31, 2023
EQUITY				
SHAREHOLDERS' EQUITY		9		
Share capital			2,435	2,435
Additional paid-in capital			21,025	23,916
Revaluation adjustments			38	38
Legal reserve			244	244
Other reserves			-	22
Retained earnings			(4)	100
Net income/(loss)			4,460	500
Interim dividend			-	-
Tax-driven provisions and investment subsidies		10.2	1,174	1,122
Total shareholders' equity	**I**		**29,371**	**28,375**
Other equity	**II**		**1**	**1**
Total equity	**I+II**		**29,372**	**28,376**
Provisions for contingencies and losses	**III**	**10.1**	**3,497**	**3,520**
Liabilities		**11**		
Borrowings and debt		**11**		
Borrowings			41,582	37,499
Amounts payable to equity investments			4,505	4,000
Current accounts with subsidiaries			2,562	4,946
Other			692	639
Total borrowings and debt	**IV**		**49,341**	**47,084**
Current liabilities				
Advances and downpayments received on orders			67	73
Trade and other payables			9,370	10,625
Tax and employee-related liabilities			2,352	2,198
Other liabilities			4,542	7,367
Total current liabilities	**V**		**16,331**	**20,264**
Total liabilities	**IV+V**		**65,673**	**67,348**
Accruals	**VI**	**12**	**4,317**	**7,260**
Unrealized foreign exchange gains	**VII**	**12**	**258**	**440**
TOTAL EQUITY AND LIABILITIES	**(I TO VI)**		**103,116**	**106,944**

NB: Amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals or changes.

Income statement

In millions of euros	Notes	Dec. 31, 2024	Dec. 31, 2023
Energy sales		35,708	49,653
Other production sold		5,097	4,496
Revenues	**13.1**	**40,805**	**54,149**
Production taken to inventory		-	-
Production for own use		11	11
Total production		**40,817**	**54,161**
Energy purchases and change in reserves		(32,678)	(47,967)
Other purchases and external charges		(7,616)	(7,375)
Value added		**522**	**(1,181)**
Subsidies received		1,128	1,908
Taxes and duties		(316)	(386)
Personnel costs	13.2	(565)	(531)
Gross operating income/(loss)		**769**	**(190)**
Net additions to depreciation, amortization and impairment		(472)	(146)
Net additions to provisions	13.3	527	(346)
Expense transfers		21	22
Other operating income and expenses		(78)	(327)
Net operating income/(loss)		**766**	**(987)**
Net financial income	**14**	**654**	**662**
Net recurring income/(loss)		**1,421**	**(325)**
Net non-recurring income	**15**	**2,627**	**578**
Income tax benefit	**16.2**	**412**	**247**
NET INCOME		**4,460**	**500**

NB: Amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals or changes.

Cash flow statement

In millions of euros		Dec. 31, 2024	Dec. 31, 2023
Cash flow from operations	**1**	**1,888**	**507**
Change in inventories		(905)	(1,902)
Change in trade receivables (net of trade receivables with a credit balance)		(2,638)	(7,534)
Change in trade payables		1,255	8,918
Change in other items		1,386	3,276
Change in working capital requirements	**2**	**(902)**	**2,757**
CASH FLOW FROM/USED IN OPERATING ACTIVITIES	**(1-2) = I**	**2,790**	**(2,250)**
Property, plant and equipment and intangible assets		306	293
Financial fixed assets		2,061	3,400
Change in amounts payable on investments		-	-
Cash used in investing activities	**1**	**2,367**	**3,693**
Third-party contributions		-	-
Net proceeds from asset disposals		657	509
Decrease in financial fixed assets		-	73
Cash flow from investing activities	**2**	**657**	**582**
CASH FLOW FROM/USED IN INVESTING ACTIVITIES	**(1-2) = II**	**1,710**	**3,111**
CASH FLOW AFTER OPERATING AND INVESTING ACTIVITIES	**(I-II) = III**	**1,080**	**(5,361)**
Increase/decrease in capital	**1**	**-**	**-**
Dividends and interim dividends paid to shareholders	**2**	**(3,504)**	**(3,427)**
Bonds		6,277	8,622
Group borrowings		5,500	-
Short- and medium-term credit facilities and other borrowings		-	151
Financing raised on capital markets	**3**	**11,777**	**8,774**
Bonds and short- and medium-term credit facilities		(7,465)	(4,139)
Repayments and redemptions	**4**	**(7,465)**	**(4,139)**
CASH FLOW FROM/USED IN FINANCING ACTIVITIES	**(1+2+3+4) = IV**	**808**	**1,207**
CHANGE IN CASH AND CASH EQUIVALENTS	**(III+IV) = V**	**1,888**	**(4,154)**

NB: Amounts in tables are generally expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals or changes.

6.4.2 Notes to the parent company financial statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 2024 financial statements have been drawn up in euros in compliance with the general principles prescribed by the French chart of accounts, as set out in Regulation No. 2014-03 issued by the French accounting standards-setter (*Autorité des normes comptables* – ANC), as updated by all subsequent amending regulations, and with the recommendations published by the ANC.

Financial transactions involving equity investments, securities and the related receivables, especially impairment charges or reversals, are included in non-recurring items rather than financial items. In accordance with Article 121-3 of the French chart of accounts, ENGIE SA considers that this non-benchmark classification gives a more faithful view of the income statement because all items of income and expenses relating to equity investments can be shown together with capital gains or losses on disposals under non-recurring items.

Use of estimates and judgment

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities and contingent assets and liabilities at the reporting date, as well as income and expenses reported during the period.

Developments in the economic and financial environment, and also the war in Ukraine, have prompted the Group to step up its risk oversight procedures, mainly in measuring financial instruments, and assessing counterparty and liquidity risk. The estimates used by the Group, among other things, to test for impairment and to measure provisions, also take into account this environment.

Accounting estimates are made in a context that remains sensitive to energy market developments, therefore making it difficult to apprehend medium- and short-term economic prospects. Particular attention has been paid to the consequences of fluctuations in the price of gas and electricity.

Due to uncertainties inherent to the estimation process, ENGIE SA regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used in preparing ENGIE SA's financial statements relate mainly to:

- **measurement of equity investments** (see Note 4)

  The recoverable amount of equity investments is based on estimates and assumptions, regarding in particular the expected market outlook and changes in the regulatory framework, which are used for the measurement of cash flows, whose sensitivity varies depending on the activity, and the determination of the discount rate. Any changes in these assumptions could have a material impact on the measurement of the recoverable amount and could result in the recognition of impairment losses or adjustments to impairment losses already recognized;

- **fair value of financial instruments** (see Note 17)

  To determine the fair value of financial instruments that are not listed on an active market, ENGIE SA uses valuation techniques that are based on certain assumptions. Any change in these assumptions could have a significant impact on the resulting calculations.

  Derivative financial instruments used by ENGIE SA to hedge and manage its currency, interest rate and commodity risk are disclosed in off-balance sheet commitments.

  Changes in the fair value of any such instruments that do not qualify for hedge accounting are recognized in the balance sheet. A provision is booked for unrealized losses, valued based on homogeneous groups of financial instruments with an equivalent underlying asset or liability, whether they are traded over-the-counter or exchange-traded.

  In the case of contracts that qualify for hedge accounting, gains or losses are taken to income symmetrically with the gain or loss on the hedged items.

  If the hedged item ceases to exist, the contract is unwound and any gains or losses taken to income.

  ENGIE SA uses internal models representative of market practices to value financial derivative instruments that are not listed on financial markets.

  Option premiums are deferred and recognized in income over the life of the hedge. The premium or discount on forward currency transactions is recognized in income in the initial value of the hedged item;

- **energy in the meter** (see Note 6)

  The amounts receivable in respect of delivered, unmetered and unbilled gas and electricity are calculated using mathematical models including estimated customer consumption and estimated selling prices. The amount of energy in the meter calculated at the closing date varies depending on the assumptions about volume and price (see section on *Other operating receivables* below);

- **measurement of provisions for contingencies and losses** (see Note 10).

  Provisions for contingencies and losses are estimated on the basis of various assumptions. A change in those assumptions could lead to a significant adjustment to the amount of the provisions;

- **measurement of off-balance sheet pension and other employee benefit obligations** (see Note 18).

  Pension commitments are measured on the basis of actuarial assumptions. Any change in the assumptions used by ENGIE SA could have a significant impact on the valuation of these commitments.

Intangible assets

This caption mainly comprises the purchase cost or production cost of software, amortized over its estimated useful life.

A useful life of between five and seven years is generally used to calculate software amortization.

Other development costs are capitalized provided they meet specific criteria, particularly as regards the pattern in which the intangible asset is expected to generate future economic benefits.

Research costs are expensed in the year in which they are incurred.

Royalties from software used in a SaaS (Software as a Service) model are capitalized once they contribute to the creation of fixed assets and are amortized over their useful life. In other cases, they are expensed as and when the related services are rendered.

Property, plant and equipment

All items of property, plant and equipment are carried at purchase cost or production cost, including ancillary expenses, with the exception of assets acquired prior to December 31, 1976, which are shown at their revalued amount at that date.

Almost all items of property, plant and equipment are depreciated on a straight-line basis.

Assets are depreciated over their useful lives, based on the period over which they are expected to be used. The useful lives for the main asset classes are as follows:

- buildings: 20 to 60 years;
- other: 3 to 15 years.

Borrowing costs incurred in financing an asset are recognized as an expense and amortized over the financing period.

Components

When the components of a given asset cannot be used separately, the overall asset is recognized. If one or more components have different useful lives at the outset, each component is recognized and depreciated separately.

Financial fixed assets

Equity investments

Equity investments represent long-term investments providing ENGIE SA with control or significant influence over the issuer, or helping it to establish business relations with the issuer.

Newly-acquired equity investments are recognized at purchase price plus directly attributable external transaction fees.

Investments which ENGIE SA intends to hold on a long-term basis are written down if their value in use has fallen below their book value. Value in use is assessed by reference to (i) the intrinsic value, which corresponds to net assets plus unrealized gains, or (ii) the yield value, which corresponds to the average of the last 20 stock market prices of the year, or (iii) expected cash flows, using the discounted cash flow (DCF) or dividend discount model (DDM), taking into account any currency hedges.

Investments which ENGIE SA has decided to sell are written down if their estimated sale price is lower than their book value. If sale negotiations are ongoing at the end of the reporting period, the book value of the investments is determined based on a best estimate.

Technical loss

The technical loss arising on a merger is allocated to the underlying assets, which, in this case, are equity investments.

The portion of the loss allocated to an underlying asset is written down if the value of the asset falls below its net book value plus the portion of the loss allocated to it. The write-down is first allocated to the portion of the loss.

In the event of a disposal, the portion of the loss relating to the assets sold is reversed through income.

Amounts receivable from equity investments

This caption consists of loans granted by ENGIE SA to equity investments.

They are recognized at face value. In line with the treatment adopted for equity investments, these amounts are written down if their value in use falls below their face amount.

Provisions for contingencies may be booked if the Company considers that the cost of its commitment exceeds the value of the assets held.

Other financial fixed assets

Investments other than equity investments that ENGIE SA intends to hold on a long-term basis but which do not meet the definition of equity investments are mainly included under this caption.

A write-down may be taken against other financial fixed assets in accordance with the criteria described above for equity investments.

Liquidity agreement and treasury stock

ENGIE SA has signed a liquidity agreement with an investment service provider, whose role is to trade on the market on a daily basis and buy or sell ENGIE SA shares in order to ensure liquidity and an active market for the shares on the Paris and Brussels stock exchanges.

The amounts paid to the investment services provider are included in “Other long-term investments”. An impairment loss is recognized against the shares when their average price for the month in which the accounts are closed is lower than their book value.

Inventories

Natural gas reserves

Gas injected into underground reservoirs is included in inventories. It is measured at average purchase cost including domestic and international freight costs upon entering the transportation network regardless of its source, and including any regasification costs. Outflows are measured on a monthly basis using the weighted average unit cost method.

An impairment loss is recognized when the net realizable value of inventories, representing the selling price less costs directly and indirectly attributable to distribution, is lower than weighted average cost.

Energy savings certificates (ESC)

ENGIE SA applies the provisions of the French chart of accounts on the accounting treatment of ESC covered by the "energy savings" model. Energy sales generate energy savings obligations which are settled by procurement of the certificates, obtaining certificates on the completion of energy-saving work, or paying to the French Treasury (*Trésor Public*) the fines provided for in Article L.221-4 of the French Energy Code (*Code de l'énergie*).

Energy savings certificates are accounted for as follows:

- inventory inflows: certificates obtained from the French State in exchange for qualifying energy savings expenditure are recorded at acquisition or production cost;
- inventory outflows: certificates are derecognized using the weighted average cost method as and when energy sales generate energy savings obligations or upon disposal, gains or losses on which are recognized in operating income.

At the closing date, the net position is recognized in the financial statement as follows:

- an asset (inventories) is recognized when energy savings obligations are lower than energy savings. Inventories correspond to certificates that have been acquired, obtained or are in the process of being obtained, and that will cover future energy savings obligations. They will subsequently be consumed when energy sales are made, which generate energy savings obligations, or on disposal;
- a liability is recognized when energy savings obligations are higher than energy savings and corresponds to the cost of measures required to settle the obligations related to energy sales made. The liability will subsequently be settled by procurement of certificates or incurring energy savings expenditure that qualify for certificates.

Capacity remuneration mechanism (CRM)

The capacity mechanism introduced by France's "NOME" (*Nouvelle Organisation du Marché de l'Électricité*) law of December 7, 2010 came into effect on January 1, 2017 (Articles L.335-1 *et seq*. and R.335-1 *et seq.* of the French Energy Code). It aims to secure the supply of electricity in France on a sustainable basis, by ensuring a long-term balance between production and consumption.

For each calendar year:

- electricity suppliers have an obligation to hold capacity guarantees in an amount sufficient to cover their customers' peak-period consumption;
- capacity, production and curtailment operators commit to a certain level of availability during winter peak periods and in exchange receive capacity guarantees;
- capacity guarantees are traded on Epex Spot (auctions) or under over-the-counter contracts.

In accordance with the deliberation of the French energy regulator (*Commission de Régulation de l'Énergie* – CRE) of February 28, 2019, as of delivery year 2020, the capacity difference reference price (PREC) is defined as the last auction price before the beginning of a given delivery year.

The Epex Spot capacity guarantee auction for delivery years 2025 and 2026 took place on October 24, 2024. At this auction, capacity guarantees were exchanged at a price of €6,192/MW for 2025 and €3,540/MW for 2026.

The last Epex Spot capacity guarantee auction for delivery year 2025 took place on December 5, 2024. Capacity guarantees were exchanged at €0/MW for 2025 and €2,522/MW for 2026. The capacity difference reference price for 2025 is therefore €0/MW. These decreases can be explained by a reduction in peak electricity demand in recent years, accentuated by less extreme winters. France has also considerably increased its renewable energy production capacity.

ENGIE SA markets curtailment offers that are inseparable from the supply of electricity to some customers and is also an obligee as an electricity provider.

In the absence of a specific ANC Regulation on accounting for capacity certificates, ENGIE SA applies the provisions of the French chart of accounts on operating inventories of energy savings certificates – energy savings model:

- inventory inflows are measured based on the costs incurred during the relevant period to purchase or obtain guarantees, leading to the calculation of a weighted average unit cost of inventories;
- inventory outflows upon derecognition are valued using the weighted average cost method.

Operating receivables

This caption includes all receivables arising on the sale of goods, and other receivables arising in the ordinary course of operations.

Energy delivered but unbilled

Receivables also include unbilled revenues for energy delivered, regardless of whether or not the meters have been read. This caption concerns customers not billed monthly (mainly residential customers) and customers whose billing period is not aligned with the consumption period of a given month.

The amounts receivable in respect of delivered, unmetered and unbilled gas and electricity ("energy in the meter") are calculated using a direct method taking into account estimated customer consumption based on the most recent customer bill or unbilled reading, in line with the allocation of the distribution grid manager over the same period, using measurement and modeling tools developed by the Group. They are measured at the average price of energy supplied, or on a meter-by-meter basis at the price applicable to the contracts taken out by customers. When the average price is used, it takes account of the category of -customer and the age of the delivered unbilled "energy in the meter". The estimated portion of unbilled revenue at the reporting date is sensitive to the average price and volume assumptions used.

Customers (mainly residential customers) can opt to pay on a monthly basis. In this case, the Company recognizes a monthly advance and a bill is issued at the anniversary date of the contract giving rise to the payment (or refund) of any difference between the amount billed and the advance payments already received.

Unbilled revenues in respect of delivered unbilled natural gas are reduced by the amount of advances already collected by the Company from customers billed monthly.

Impairment of trade receivables

Bad debt risk is analyzed on a case-by-case basis for the Company's largest customers.

Receivables from other customers are written down using rates that increase in line with the age of the related receivables.

The potential bad debt risk arising on amounts receivable in respect of delivered unbilled energy is also taken into account.

"Tariff Shield" system

Tariff shield for gas

The exceptional crisis in wholesale natural gas prices prompted the French government to introduce a series of emergency measures, starting in 2022, to limit the increase in consumers' gas bills: individual tariff shields for households with a direct supply contract, and collective shields to limit the increase in collective natural gas heating costs (social and private housing).

Given the fall in prices on the wholesale markets, the individual gas shield ended on July 1, 2023. As for the collective gas shield, the scheme was extended to 2024 for collective customers with contracts signed before June 30 2023.

Tariff shield for electricity

The exceptional crisis in wholesale electricity prices prompted the French government to introduce a series of emergency measures, starting in 2022, to limit the increase in consumers' electricity bills, including, in particular, a reduction in the domestic tax on end-use electricity and a block on increases to regulated electricity tariffs.

Following the substantial drop in wholesale electricity prices since February 1, 2024, the Minister of the Economy announced a gradual increase in electricity rates for households and professionals, to phase out the tariff shield by February 2025. This increase translates into a reassessment of the domestic tax on end-use electricity for standard tariffs, set from February 1, 2024 to January 31, 2025 at €20.50/MWh for businesses and €21/MWh for households and similar. Reduced tariffs remain at the minimum levels set by the 2023 European directive, i.e., €0.5/MWh for businesses. From February 1, 2024, electricity prices rose by 8.6% for normal tariffs, and 9.8% for off-peak/peak tariffs, the increase having been capped at 10% by the 2024 Finance Bill.

Other measures were maintained in 2024:

- aid measures ("*sur-amortisseur*") for very small businesses and similar for all contracts signed before June 30, 2023, incorporating a price cap of €230/MWh on average (variable portion of electricity excluding taxes and delivery)
- other electricity aid measures ("*amortisseur*") (excluding very small businesses and similar): from January 1, 2024, this aid applies to all contracts under market prices, in force in 2024 and signed or renewed before June 30, 2023, for end-customers belonging to eligible categories
- the collective electricity shield: a specific aid measure for households living in collective housing heated by electricity, introduced on July 1, 2022 and renewed in 2023 and 2024
- CRE's decision to maintain the ARENH price at €42/MWh, with an identical overall maximum volume of 100 TWh per year.

Other operating receivables

Other operating receivables include the current account with ENGIE Finance, as well as margin calls. Items for which there is a risk of non-collection are written down.

Marketable securities

Marketable securities are shown on the balance sheet at cost.

When the market value of securities at December 31 is lower than their book value, a write-down is recognized for the difference.

For listed securities, market value is determined based on the market price at the end of the reporting period.

Shareholders' equity

Additional paid-in capital

External costs directly attributable to capital increases are deducted from additional paid-in capital. Other costs are expensed as incurred.

Merger premium

External expenses directly attributable to the merger between Gaz de France SA and SUEZ in 2008 are deducted from the merger premium.

Revaluation adjustments

This caption results from the legal revaluation of non-amortizable assets not operated under concessions carried out in 1959 and 1976.

Tax-driven provisions

Accelerated depreciation

Accelerated depreciation is recognized whenever an asset's useful life (which is used in accounting for the depreciation of property, plant and equipment) differs from that used for tax purposes or when a different depreciation method is used.

Provision for price increases

The provision for price increases was introduced by Article 39-1-5 of the French Tax Code (*Code général des impôts*) to allow companies to temporarily deduct a portion of profits used for inventory replenishment from their tax base in the event of sharp price increases.

Provisions for contingencies and losses

A provision is recognized when the Company has a legal or constructive obligation resulting from a past event which is expected to result in an outflow of resources embodying economic benefits that can be measured reliably.

The provision represents the best estimate of the amount required to settle the present obligation at the end of the reporting period.

Provisions for rehabilitating land on which former gas production plants were located

A provision for site rehabilitation and clean-up costs for former gas production plants is set aside in the books of ENGIE SA for the sites concerned. These provisions reflect the best estimate of the future costs required to complete the rehabilitation work, based on experts' current technical knowledge and regulatory requirements.

Movements in these provisions are shown under operating items.

Provision for employee bonus share awards

The provision for employee bonus share awards is recognized on a straight-line basis over the vesting period. The provision ultimately covers the disposal loss equal to the book value of treasury stock granted free of consideration to employees.

Pensions and other employee benefit obligations

Companies belonging to the electricity and gas industries sector

ENGIE SA employees qualify for the disability, pension and death benefits available under the special plan for companies belonging to the electricity and gas industries sector (see Note 18).

Accounting treatment

ENGIE SA recognizes provisions under liabilities for benefits granted to employees whose rights have already begun to vest (annuities for occupational accidents and illnesses, temporary incapacity or disability benefits), or benefits due during the employee's working life (long-service awards and exceptional end-of-career vacation).

As part of the 2008 merger between SUEZ and Gaz de France with retroactive effect from January 1, 2008, provisions for pensions and other employee benefit obligations (pensions, retirement indemnities and healthcare) carried by SUEZ at December 31, 2007 were transferred to ENGIE SA.

No further amounts are set aside to these provisions in respect of newly vested employee rights or the unwinding of discounting adjustments on the provisions transferred within the scope of the merger. These provisions are written back in line with the settlement of the corresponding obligations.

No provisions are set aside in liabilities for other commitments. These are disclosed in Note 17 on offbalance sheet commitments.

Basis of measurement and actuarial assumptions

Benefit obligations are measured using the projected unit credit method. The present value of the obligations of ENGIE SA is calculated by allocating vested benefits to periods of service under the plan's benefit formula. When an employee's service in later years leads to a materially higher level of benefits than in earlier years, the Group allocates the benefits on a straight-line basis.

Future payments in respect of these benefits are calculated based on assumptions as to salary increases, retirement age, mortality and employee turnover.

The rate used to discount future benefit payments is determined by reference to the yield on investment grade corporate bonds based on maturities consistent with the benefit obligation.

Borrowings and debt

Subordinated perpetual notes

Subordinated perpetual notes issued by the Company in euros and foreign currencies are recognized in accordance with Opinion No. 28 issued by the French association of public accountants (*Ordre des experts-comptables* – OEC) in July 1994, i.e., taking into account their specific characteristics.

Accordingly, they are classified as debt as their redemption period is not perpetual.

Bond redemption premiums and issue costs

Bond issue costs are recognized on a straight-line basis over the life of the instruments. These issue costs mainly consist of advertising expenses (for public issues) and fees due to financial intermediaries.

Bonds carrying a redemption premium are recognized in liabilities for their total amount including redemption premiums. The matching entry for these premiums is recorded in assets under accruals, and amortized over the life of the bonds pro rata to interest.

Derivative instruments

In accordance with the principles reaffirmed by ANC Regulation No. 2015-05 whose application has been mandatory as of January 1, 2017, financial instruments used by ENGIE SA to hedge and manage its currency, interest rate and commodity risk are disclosed in off-balance sheet commitments.

Unrealized gains on transactions that do not qualify for hedge accounting are not recognized. A provision is recognized for unrealized losses on these transactions, however.

In the case of contracts that qualify for hedge accounting, gains or losses are taken to income symmetrically with the gain or loss on the hedged items.

If the hedged item ceases to exist, the contract is unwound and any gains or losses taken to income.

ENGIE SA uses internal models representative of market practices to value financial derivative instruments that are not listed on financial markets.

Foreign currency transactions

Income and expenses denominated in foreign currencies are recorded at their equivalent value in euros at the transaction date.

Foreign currency receivables, payables and cash and cash equivalents are converted at the exchange rate prevailing at the year-end.

Translation differences are taken to income when they arise on cash and cash equivalents, or to the balance sheet under unrealized foreign exchange gains or losses when they arise on receivables and payables. A provision is set aside for unrealized losses after taking account of any associated hedging instruments.

Income tax

Since January 1, 1988, ENGIE SA has been part of the tax consolidation regime introduced by Article 68 of Law No. 87-1060 of December 30, 1987. ENGIE SA is head of a tax consolidation group within the meaning of Articles 223-A *et seq.* of the French Tax Code.

The contribution of subsidiaries in the tax consolidation group to the Group's income tax expense equals the amount of tax for which they would have been liable if they had not been members of the tax consolidation group.

The impacts of tax consolidation are recorded under the income tax expense of ENGIE SA, as parent company.

ENGIE SA also records a provision for any tax savings generated by subsidiaries' tax losses. These savings initially benefit ENGIE SA as parent company, and are recovered by the subsidiaries once they return to profit (hence the provision booked).

NOTE 2 SIGNIFICANT EVENTS DURING THE YEAR AND COMPARABILITY OF PERIODS PRESENTED

Significant events during the year

None

Comparability of periods presented

The same accounting methods were used in 2024 and 2023.

NOTE 3 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

3.1 Gross values

Changes in the gross value of these assets can be analyzed as follows:

In millions of euros	Dec. 31, 2023	Increases	Decreases	Reclassifications	Dec. 31, 2024
Intangible assets	**2,173**	**265**	**(145)**	**(3)**	**2,290**
Software	1,562	1	(138)	233	1,658
Other	368	-	(3)	-	365
Intangible assets in progress[1]	243	264	(4)	(236)	267
Property, plant and equipment	**944**	**50**	**(22)**	**3**	**976**
Land	37		-	-	37
Dismantling assets	3	-	-	-	3
Buildings	374	-	(5)	5	375
Plant and equipment	308	1	(4)	11	317
General plant and equipment, and miscellaneous fixtures and fittings	123	-	(2)	1	122
Other	28	-	-	11	39
Property, plant and equipment in progress	71	49	(11)	(26)	83
Advances and downpayments	-	-	-	-	-
TOTAL	**3,117**	**315**	**(167)**	-	**3,265**

(1) *Intangible assets in progress essentially concern IT projects.*

3.2 Depreciation, amortization and impairment

Changes in depreciation and amortization were as follows:

In millions of euros	Dec. 31, 2023	Increases	Decreases	Dec. 31, 2024
Intangible assets	**1,453**	**201**	**(131)**	**1,523**
Software	1,191	180	(129)	1,242
Other	262	21	(2)	281
Property, plant and equipment	**545**	**34**	**(7)**	**573**
Land	1	1	-	2
Dismantling assets	3			3
Buildings	277	10	(4)	283
Plant and equipment	156	15	(2)	168
General plant and equipment, and miscellaneous fixtures and fittings	86	8	-	93
Other	22	2	-	24
Property, plant and equipment in progress				-
TOTAL	**1,999**	**235**	**(138)**	**2,097**

Changes in impairment were as follows:

In millions of euros	Dec. 31, 2023	Additions	Reversals	Dec. 31, 2024
Intangible assets	89	-	(19)	70
Property, plant and equipment	54	24	(3)	76
TOTAL	**143**	**24**	**(22)**	**146**

Movements in depreciation, amortization and impairment can be broken down as follows:

In millions of euros	Dec. 31, 2023	Dec. 31, 2024
Depreciation, amortization and impairment	**196**	**218**
Straight-line method	196	217
Declining-balance method		1
Depreciation of dismantling assets	-	
Exceptional amortization	**19**	**19**
Reversals	**-**	**-**

3.3 Net values

The net value of intangible assets and property, plant and equipment breaks down as follows:

In millions of euros	Gross values	Accumulated depreciation and amortization	Impairment	Net value at Dec. 31, 2024	Net value at Dec. 31, 2023
Intangible assets	**2,290**	**(1,523)**	**(70)**	**696**	**630**
Software	1,658				1,561
Amortization of computer applications		(1,242)			(1,191)
Impairment of computer applications			-		(1)
Software	1,658	(1,242)	-	415	369
Concessions, patents, licenses	25			25	29
Other	340			340	340
Amortization of other intangible assets		(282)		(282)	(263)
Impairment of other intangible assets			(70)	(70)	(88)
Other	365	(281)	(70)	14	19
Intangible assets in progress[1]	267	-	-	267	243
Property, plant and equipment	**976**	**(573)**	**(76)**	**327**	**346**
Land	37	(2)	(1)	34	36
Dismantling assets	3	(3)	-	-	-
Buildings	375	(283)	(5)	86	92
Plant and equipment	317	(261)		55	152
General plant and equipment, and miscellaneous fixtures and fittings	122			122	25
Other	40	(24)	(69)	(54)	(30)
Property, plant and equipment in progress	83	-		83	71
Advances and downpayments	-	-	-	-	-
TOTAL	**3,265**	**(2,097)**	**(146)**	**1,023**	**976**

(1) Intangible assets in progress essentially concern IT projects.

NOTE 4 FINANCIAL FIXED ASSETS

4.1 Gross values

Changes in the gross value of these assets can be analyzed as follows:

In millions of euros	Dec. 31, 2023	Increases	Decreases	Other	Dec. 31, 2024
Equity investments	**75,967**	**1,560**	**(634)**	**(20)**	**76,873**
Consolidated equity investments	75,602	960		(20)	76,542
Consolidated equity investments – technical loss[1]	32	-	-	-	32
Non-consolidated equity investments	333	600	(634)	-	299
Other financial fixed assets	**81**	**1,128**	**(630)**	**-**	**579**
Other long-term investments	41	1	(8)	-	34
Amounts receivable from equity investments	-	504	-	-	504
Loans	15	13	(11)	-	17
Other financial fixed assets	25	610	(611)	-	24
TOTAL	**76,048**	**2,688**	**(1,264)**	**(20)**	**77,452**

(1) *Technical loss arising on the 2008 merger of SUEZ with Gaz de France, mainly involving Electrabel shares.*

Movements in treasury stock are detailed in Note 9.1.

Equity investments and amounts receivable from these investments are detailed in Note 4.4.

The year-on-year change in equity investments at December 31, 2024 is essentially attributable to the following transactions:

- subscription to the capital increase carried out by ENGIE Energy Services International (€560 million);
- subscription to the capital increase carried out by ENGIE Energy Services (€385 million);
- subscription to the capital increase carried out by ENGIE Hydrogen International (€14.5 million);
- full asset transfer of Vilorex's assets (€20 million);
- disposal of 50Five (€34 million).

The change in amounts receivable reflects the €502 million loan granted to ENGIE Finance.

At December 31, 2024, "Other financial fixed assets" comprised:

- deposits paid (€14 million);
- shares held under liquidity agreements (€10 million).

4.2 Impairment

In millions of euros	Dec. 31, 2023	Additions	Reversals	Other	Dec. 31, 2024
Consolidated equity investments	11,786	553	(3,679)	(9)	8,651
Consolidated equity investments – technical loss[1]	31	1	-	-	32
Non-consolidated equity investments	253	25	(35)	-	243
Other long-term investments	8	-	(8)	-	-
Amounts receivable from equity investments	-	-	-	-	-
Loans	-	10	-	-	10
TOTAL	**12,078**	**589**	**(3,722)**	**(9)**	**8,937**

(1) *Technical loss arising on the 2008 merger of SUEZ with Gaz de France, mainly involving Electrabel shares.*

The change in impairment mainly reflects:

- additions to provisions for impairment against equity investments:
  - ENGIE Energy Services International (€340 million),
  - ENGIE Energy Services (€212 million),
  - ENGIE New Ventures (€2.6 million);

- reversals of impairment provisions against equity investments:
  - Electrabel (€3,623 million),
  - Genfina (€37 million),
  - 50Five (€34 million),
  - ENGIE IT (€8 million),
  - ENGIE China Investment Company (€7 million),
  - SFIG (€3 million).

The value in use of the equity investments used to calculate impairment is assessed by reference to:

- for private equity firms, the intrinsic value, which corresponds to net assets plus unrealized gains;
- for listed companies, the yield value, which corresponds to the average of the last twenty stock market prices of the year;
- for other operating subsidiaries, value in use, which corresponds to the cash flows or dividends (DCF or DDM model) expected to be generated by subsidiaries that directly or indirectly hold operating activities.

In most cases, the recoverable amounts are determined by reference to a value in use that is calculated using cash flow projections drawn up on the basis of the 2025 budget and the 2026-2027 medium-term business plan, as approved by the Executive Committee and the Board of Directors, and on the basis of extrapolated cash flows beyond that time frame.

Cash flow projections are determined on the basis of macroeconomic assumptions (inflation, exchange rates and growth rates), and price forecasts resulting from the Group's reference scenario for 2028-2050 as revised and validated by the Executive Committee in June 2024. The forecasts and projections included in the reference scenario were determined on the basis of the following inputs:

- forward market prices over the liquidity period for fuel (coal, oil and gas), CO_2 and electricity on each market in a context of changing energy prices;
- beyond this period, medium- and long-term energy prices were determined by the Group based on macroeconomic assumptions and fundamental supply and demand equilibrium models, the results of which are regularly compared against forecasts prepared by external energy sector specialists. Long-term projections for CO_2 are in line with the 2030 emissions reduction target of 55% and the 2050 climate neutrality objective set by the European Commission as part of the "European Green Deal" presented in December 2019 and July 2021. Among the external scenarios, the Group's scenario is similar to that of the International Energy Agency, with its APS (Announced Pledges Scenario) model, and that of ADEME ("green technology");
- more specifically, medium- and long-term electricity prices were determined by the Group using electricity demand forecasting models, medium- and long-term forecasts of fuel and CO_2 prices, and expected trends in installed capacity and in the technology mix of the production assets within each power generation system. ENGIE has opted for a balanced mix, integrating renewable gas and carbon dioxide capture and storage in order to guarantee an energy system with the best levels of efficiency and resilience. This trajectory has been included in the Group's report as part of the "Task Force on Climate Related Financial Disclosures" (TCFD) initiative. The risk factors arising from climate and environmental issues are also detailed in the Group's Universal Registration Document.

Electrabel owns, either directly or through equity investments in Europe or outside Europe, the following main operating activities:

- power generation and sale:
  - nuclear power plants in Belgium,
  - thermal power plants, mainly in Belgium, the Netherlands, Italy, Spain, Portugal, Australia, Singapore, Brazil, Puerto Rico, Chile, Mexico, Peru and the Middle East,
  - renewable power generation plants, mainly in Belgium, the Netherlands, Italy, Spain, Portugal, Germany, the United Kingdom, Brazil, Chile and Mexico;
- natural gas and power generation in Belgium, the Netherlands, Italy, the United Kingdom, Australia and Singapore;
- management and optimization of portfolios of physical and contractual assets.

4.3 Net values

In millions of euros	Gross values	Impairment	Net value at Dec. 31, 2024	Net value at Dec. 31, 2023
Equity investments	**76,873**	**(8,927)**	**67,946**	**63,897**
Consolidated equity investments	76,542	(8,651)	67,891	63,816
Consolidated equity investments – technical loss(1)	32	(32)	-	1
Non-consolidated equity investments	299	(243)	56	80
Other financial fixed assets	**579**	**(10)**	**569**	**73**
Other long-term investments	34	-	34	33
Amounts receivable from equity investments	504	-	504	-
Loans	17	(10)	7	15
Other financial fixed assets	24	-	24	25
TOTAL	**77,452**	**(8,937)**	**68,515**	**63,970**

(1) Technical loss arising on the 2008 merger of SUEZ with Gaz de France, mainly involving Electrabel shares.

4.4 Subsidiaries and investments

Some of the data in the table are unaudited.

In millions of euros Name	Share capital	Other equity	% capital held	Book value of shares held Gross	Book value of shares held Provisions	Loans and advances granted	Sureties and endorse-ments	Revenues	Net income/ (loss)	Dividends received in 2024	Year-end
A – DETAILED INFORMATION CONCERNING SUBSIDIARIES AND INVESTMENTS WHOSE GROSS VALUE EXCEEDS 1% OF ENGIE SA CAPITAL (i.e., €24,352,850)											
1. Subsidiaries (more than 50%-owned by ENGIE SA)											
Agua Provinciales de Santa Fe	-	(199)	64.19%	39	(39)	-	-	-	(64)	-	Dec. 2023
COGAC	1,717	1,037	100.00%	3,430	-	-	-	-	954	812	Dec. 2024
Electrabel	5,790	16,079	99.13%	34,148	(4,302)	-	-	11,087	6,706	-	Dec. 2024
ENGIE Alliance	100	2	64.00%	62	-	(41)	-	-	2	-	Dec. 2024
ENGIE China Invest Company	43	(27)	100.00%	123	(107)	-	-	-	7	-	Dec. 2024
ENGIE Energy Services	1,084	182	100.00%	3,318	(212)	-	-	2,844	(168)	494	Dec. 2024
ENGIE Energy Services International	3,496	1,095	100.00%	6,668	(1,251)	-	-	-	(357)	-	Dec. 2024
ENGIE Finance	5,460	157	100.00%	5,567	-	5,550	-	3	32	18	Dec. 2024
ENGIE Group Participations	3,972	301	100.00%	3,972	-	-	-	-	538	-	Dec. 2024
ENGIE Hydrogen International	25	(5)	100.00%	25	-	-	-	-	-	-	Dec. 2024
ENGIE IT	142	(14)	100.00%	538	(412)	-	-	677	9	-	Dec. 2024
ENGIE Management Company	30	(56)	100.00%	265	(265)	-	-	181	(25)	-	Dec. 2024
ENGIE New Business	458	(769)	100.00%	461	(461)	-	-	-	(365)	-	Dec. 2024
ENGIE New Ventures	69	(71)	100.00%	92	(63)	-	-	-	(11)	-	Dec. 2024
ENGIE Rassembleur d'Energies	50	(36)	100.00%	50	(36)	-	-	-	(11)	-	Dec. 2024
ENGIE Renouvelables	507	493	100.00%	1,641	-	-	-	55	258	-	Dec. 2024
GENFINA	100	455	100.00%	2,627	(1,285)	-	-	-	14	-	Dec. 2024
GRDF	1,836	1,713	100.00%	8,655	-	-	-	3,574	822	158	Dec. 2024
GRT Gaz	639	3,993	60.79%	1,901	-	-	139	2,093	121	272	Dec. 2024
S.F.I.G	2	6	100.00%	94	(83)	-	-	1	3	-	Dec. 2024
Sopranor	-	1	100.00%	245	(243)	-	-	-	-	-	Dec. 2024
Storengy SAS	2,733	334	100.00%	2,733	-	-	-	73	302	198	Dec. 2024
2. Equity investments (less than 50%-owned by ENGIE SA)											
Aguas Argentinas	1	(8)	48.20%	145	(145)	-	-	-	-	-	Dec. 2020

In millions of euros Name	Share capital	Other equity	% capital held	Book value of shares held Gross	 Provisions	Loans and advances granted	Sureties and endorsements	Revenues	Net income/ (loss)	Dividends received in 2023	Year-end
B – INFORMATION CONCERNING OTHER SUBSIDIARIES AND INVESTMENTS											
1. Subsidiaries not included in section A											
French companies				32	(18)						
Foreign companies (data in local operating currency)				9	-						
2. Equity investments not included in section A											
French companies				14	-						
Foreign companies (data in local operating currency)				24	-						
3. Other long-term investments not included in section A											
French companies				31	(7)	-				12	
Foreign companies (data in local operating currency)											
TOTAL				**76,908**	**(8,927)**					**1,964**	

NOTE 5 INVENTORIES

Changes in the gross value of these assets can be analyzed as follows:

In millions of euros	Gross values Dec. 31, 2023	Increases	Decreases	Gross values Dec. 31, 2024
Natural gas (including butane/propane)	1,959	1,225	(2,058)	1,126
Energy savings certificates	312	1,306	(1,461)	157
Capacity guarantees	718	342	(261)	799
Consumable materials and supplies	-	10	-	10
Guarantees of origin	3	15	(13)	5
TOTAL	**2,992**	**2,898**	**(3,793)**	**2,096**

Inventory impairment can be analyzed as follows:

In millions of euros	Dec. 31, 2023	Additions	Reversals	Dec. 31, 2024
Natural gas (including butane/propane)	-	-	-	-
Energy savings certificates	-	-	-	-
Capacity guarantees	-	-	-	-
Consumable materials and supplies	-	10	-	(10)
Guarantees of origin	-	-	-	-
TOTAL	-	**10**	-	**(10)**

The net value of inventories breaks down as follows:

In millions of euros	Gross value at Dec. 31, 2024	Impairment	Net value at Dec. 31, 2024	Net value at Dec. 31, 2023
Natural gas (including butane/propane)	1,126	-	1,126	1,959
Energy savings certificates	157	-	157	312
Capacity guarantees	799	-	799	718
Consumable materials and supplies	10	(10)	-	-
Guarantees of origin	5	-	5	3
TOTAL	**2,097**	**(10)**	**2,087**	**2,992**

5.1 Natural gas reserves

Gas reserves at end-December 2024 were €833 million lower than at end-December 2023, mainly due to a fall in both average prices and inventory quantities between December 2023 and December 2024.

5.2 Energy savings certificates

Energy Savings Certificates require certain suppliers of energy to meet energy savings targets imposed upon them by public authorities. The level of obligation is defined by savings obligation period and allocated between energy types. The suppliers concerned fulfill their obligation by obtaining Energy Savings Certificates equivalent to the number of TWh of cumac that must be saved.

The fifth energy savings period, which runs from January 1, 2022 to December 31, 2025, has seen several regulatory changes:

- Decree No. 2021-712 of June 3, 2021, which:
  - introduced a gradual change in the thresholds for electricity and gas over the period to extend the obligation to more suppliers and avoid a distortion due to competition between suppliers,
  - set an initial overall target for the fifth period of 2,500 TWh, i.e., 1,770 TWh of cumac for the "traditional" obligation, and 730 TWh of cumac for the "fuel poverty" obligation, an increase of 37%,
  - refocused the "fuel poverty" ESC obligation on the most vulnerable households,
  - changed the calculation of the obligation amount for each type of energy (Articles R.221-4 and R.221-4-1 of the French Energy Code): the amount of obligations expressed in discounted cumulative KWh is divided by the volume of energy sold or released for consumption;
- rounded out by Decree No. 2022-1368 of October 27, 2022, which increased ESC obligations for 2023 to 2025 by 25%, i.e., 200 TWh of cumac for the "traditional" obligation and 400 TWh of cumac for the "fuel poverty" obligation:
  - increase in "traditional" energy savings obligations coefficients provided for under Article R.221-4 of the French Energy Code,
  - increase in the "fuel poverty" energy savings obligations coefficients provided for under Article R.221-4-1 of the same Code.

The overall target for the fifth period is 3,100 TWh cumac, compared with 2,133 TWh cumac for the fourth period.

Pursuant to Decree No. 2022-1368, ENGIE SA's annual "traditional" Energy Savings Certificate (ESC) obligation is determined by applying the following coefficients to its sales:

- 0.485 kWh cumac/kWh sold for natural gas since 2023 and for subsequent years (compared with 0.422 kWh cumac/kWh sold in 2022);
- 0.478 kWh cumac/kWh sold for electricity since 2023 and for subsequent years (compared with 0.416 kWh cumac/kWh sold in 2022).

In addition to the "traditional" obligation, the "fuel poverty" obligation is calculated by applying a proportionality coefficient to the "traditional" obligation, equal to 0.620 since 2023 and for subsequent years (compared with 0.412 in 2022).

5.3 Capacity remuneration mechanism

Capacity obligations depend on electricity sales volumes.

In 2024, ENGIE SA increased its CRM inventories to cover its electricity supply obligations during peak consumption periods.

NOTE 6 RECEIVABLES

6.1 Maturity of receivables

In millions of euros	Gross amount at Dec. 31, 2024	Due		
		End-2025	Between 2026 and 2029	2030 and beyond
Non-current assets	**580**	**503**	**11**	**65**
Amounts receivable from equity investments	504	502	1	-
Loans	18	-	-	17
Liquidity agreements	-	-	-	-
Other financial fixed assets	58	-	10	48
Current assets	**21,653**	**20,312**	**1,298**	**43**
Trade and other receivables[1]	7,712	6,459	1,253	-
Current accounts with subsidiaries	7,209	7,209	-	-
Other operating receivables[2]	1,029	1,029	-	-
Other receivables	5,628	5,540	45	43
Advances and downpayments made on orders	75	75	-	-
TOTAL	**22,233**	**20,815**	**1,309**	**108**

(1) *Sales of energy in the meter net of advances from customers billed on a monthly basis totaled €1,541 million including tax at December 31, 2024 (€1,662 million at December 31, 2023).*
(2) *€576 million in subsidies receivable in respect of compensation for public service charges arising from the price freeze on electricity sales.*

6.2 Impairment of receivables

In millions of euros	Dec. 31, 2023	Additions	Reversals	Other	Dec. 31, 2024
Amounts receivable from equity investments	-	-	-	-	-
Loans	-	10	-	-	10
Trade and other receivables	936	881	(635)	-	1,182
Other miscellaneous receivables	4	1	-	-	4
TOTAL	**940**	**891**	**(635)**	-	**1,196**

NOTE 7 MARKETABLE SECURITIES

In millions of euros	Gross values Dec. 31, 2024	Impairment Dec. 31, 2024	Net value at Dec. 31, 2024	Net value at Dec. 31, 2023
Treasury shares held to cover bonus share plans	122	-	122	177
Money-market funds	2,957	-	2,957	3,587
Term deposits	1,532	-	1,532	986
TOTAL	**4,611**	-	**4,611**	**4,751**

The value of treasury shares at December 31, 2024 was €122 million and no impairment provisions were recognized, as all the treasury shares held are allocated to a plan.

These shares are measured at their price on the date of the Board of Directors' decision to set up the plan to which they are allocated, and are held at their carrying amount until delivery. Impairment provisions are recognized in liabilities for an amount corresponding to the expense deferral over the vesting period (see Note 10.1.2).

UCITS recorded in assets for a net value of €2,957 million had a market value of €3,043 million at December 31, 2024.

NOTE 8 ACCRUALS (ASSETS) AND UNREALIZED FOREIGN EXCHANGE LOSSES

In millions of euros	Dec. 31, 2023	Increases	Decreases	Dec. 31, 2024
Loan redemption premiums	192	26	(24)	194
Deferred loan issuance costs	52	19	(10)	61
Options contracts	1,102		(501)	601
Financial instruments	4,726	4	(1,269)	3,461
ACCRUALS (ASSETS)	**6,073**	**49**	**(1,804)**	**4,317**
UNREALIZED FOREIGN EXCHANGE LOSSES	**270**	**151**	-	**422**

Accruals

Accruals related to financial instruments comprise:

- premiums and issue costs to be amortized on ENGIE SA bonds;
- premiums on options intended to hedge commodity and/or interest rate and currency risk on debt;
- measurement at fair value of interest rate, currency and commodity derivatives not qualifying as hedges, and the currency portion of derivatives hedging the risk on debt denominated in foreign currencies.

Unrealized foreign exchange losses

Unrealized foreign exchange losses arise upon the translation at the year-end exchange rate of payables and receivables denominated in a currency other than the euro and upon the currency portion of derivatives hedging debt denominated in foreign currencies and/or commodity purchases and sales.

NOTE 9 SHAREHOLDERS' EQUITY

9.1 Share capital – shares issued and outstanding

The share capital is fully paid up. Each €1 share carries a single voting right.

Share capital	
Shares comprising the share capital at January 1, 2024	2,435,285,011
Total number of shares comprising the share capital	**2,435,285,011**

During the year, a total of 39,550,834 shares were purchased and 39,550,834 shares were sold under the liquidity agreement, generating a net capital gain of €244,345.70. At December 31, 2024, ENGIE SA no longer held any treasury shares under the liquidity agreement.

At December 31, 2024, ENGIE SA held 9,443,689 shares in connection with bonus share awards (see Note 9.3).

9.2 Change in shareholders' equity

SHAREHOLDERS' EQUITY AT DECEMBER 31, 2023	**28,375**
2023 dividends paid	(3,503)
Retained earnings	(4)
Tax-driven provisions – Investment subsidies	52
Link 2024	(9)
Net income	4,460
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2024	**29,371**

In 2024, ENGIE SA paid:

- a dividend of €1.43 per share in respect of 2024, representing a total amount of €3,469.14 million, less the treasury shares held at the dividend payment date (€13.32 million);
- a loyalty dividend of €0.143 per share, representing a total payout of €34.6 million.

9.3 Employee bonus share awards and stock option plans

Bonus share policy and stock option policy

Bonus share awards are intended to involve all employees more closely in the Group's growth and performance. They are awarded to employees upon a decision of the Board of Directors, in accordance with decisions taken by the Shareholders' Meeting, subject to a minimum seniority of two years and a number of performance conditions.

In 2024, ENGIE SA awarded 5,318,620 bonus shares to certain ENGIE Group employees.

In 2024, ENGIE SA delivered 4,524,797 shares to Group employees.

Based on all existing share plans, the number of beneficiaries and staff turnover assumptions, at December 31, 2024 ENGIE SA considered that it had an obligation to deliver 15,741,785 shares.

In view of the shares delivered in 2024, the Company holds 9,443,689 shares to cover ENGIE SA's bonus share obligations at December 31, 2024, representing a total amount of €122 million net of provisions. The market value was €145 million at December 31, 2024.

Details of bonus share and stock option plans in force	Number of shares awarded	Number of shares delivered	Per share value	Expense *(in millions of euros)*	
				2024	2023
BONUS SHARES AWARDED					
Link Abondement Plan of August 2, 2018					(3.32)
ENGIE Plan of December 11, 2018					(1.33)
ENGIE Plan of December 17, 2019	124,545	119,093	14.730	1.75	(63.77)
ENGIE Plan of February 26, 2020					(1.78)
ENGIE Plan of December 17, 2020	4,682,499	4,063,553	12.670	51.90	17.70
ENGIE Plan of February 25, 2021	137,498	136,406	12.605	1.62	(1.08)
ENGIE Plan of December 16, 2021	4,640,229	1,450	13.000	(16.65)	16.56
ENGIE Plan of February 14, 2022	414,477	203,795	14.298	1.76	2.50
ENGIE Plan of April 20, 2022	120,000		12.078	(0.50)	0.85
ENGIE Plan of December 8, 2022	4,375,289	500	14.292	(18.33)	18.99
Link Abondement Plan of December 22, 2022	228,935		13.614	(0.63)	0.62
ENGIE Plan of February 20, 2023	676,341		14.250	(3.46)	2.77
ENGIE Plan of April 30, 2024	5,318,620		16.270	(18.22)	0.48
TOTAL	**20,718,433**	**4,524,797**		**(0.76)**	**(10.81)**

NOTE 10 PROVISIONS

10.1 Provisions for contingencies and losses

In millions of euros	Dec. 31, 2023	Additions	Reversals (used provisions)	Reversals (surplus provisions)	Dec. 31, 2024
Provisions for site rehabilitation (Note 10.1.1)	216	57	(11)	-	262
Provisions relating to employees (Note 10.1.2)	204	63	(57)	(5)	205
Provisions for taxes (Note 10.1.3)	23	2	(1)		24
Provisions for tax consolidation (Note 10.1.4)	977	111	(150)	-	938
Vendor warranties	4	30			34
Risks arising on subsidiaries (Note 10.1.5)	313	389	-		702
Other provisions for contingencies and losses (Note 10.1.5)	1,783	1,166	(1,618)	-	1,331
TOTAL	**3,520**	**1,818**	**(1,837)**	**(5)**	**3,496**

10.1.1 Provisions for site rehabilitation

Provisions for site rehabilitation totaled €262 million at December 31, 2024 versus €216 million at end-2023, broken down as follows:

In millions of euros	Dec. 31, 2023	Additions	Reversals (used provisions)	Matching entry to dismantling assets	Dec. 31, 2024
Provisions for site rehabilitation (excluding PNC assets)	211	55	(11)	-	255
Provisions for site rehabilitation (PNC assets)	5	-	-	-	5
Provisions for installation refurbishment	-	2	-	-	2
TOTAL	**216**	**57**	**(11)**	-	**262**

The €262 million provision for site rehabilitation at December 31, 2024 covers the costs of rehabilitating sites where former gas production plants were located for an amount of €260 million as well as installation refurbishment costs related to the approval of a research project for €2 million.

It is broken down as follows:

- soil decontamination at former gas production plants for €188 million;
- soil decontamination at former gas production plants held for sale for €37 million;
- litigation at former gas production plants for €30 million;
- installation refurbishment for €2 million;
- site rehabilitation of gas production plants held for sale for €5 million.

10.1.2 Provisions relating to employees

Provisions for employee benefits

At December 31, 2024, pension obligations amounted to €4 million. Pension obligations are covered by insurance funds.

Other post-employment benefits amounted to €10 million.

Provisions have been set aside for the full amount of disability benefits, allowances for occupational accidents, illnesses of active employees at year-end, long-service awards and asbestos, representing a total amount of €68 million.

These provisions represented a total amount of €82 million at December 31, 2024. Note 18.4 analyzes changes in these provisions in the periods presented.

The full amount of end-of-career indemnities is partially covered by insurance funds; the shortfall amounted to €16 million at December 31, 2024.

Provisions for employee bonus share awards

At December 31, 2024, provisions for employee bonus share awards amounted to €121 million, unchanged from December 31, 2023. The provision for employer contributions related to the bonus share awards amounted to €1 million (end-2023: €2 million).

In 2024, ENGIE SA set aside a further €59 million to this provision to cover rights vested by employees. It also wrote back the same amount of the provision following the expiration of certain bonus share plans.

In addition to presence in the Group at the vesting date, eligibility for certain bonus share and performance share plans is subject to an internal performance condition. When this condition is not fully met, the number of bonus shares granted to employees is reduced in accordance with the plans' regulations.

10.1.3 Provisions for taxes

ENGIE SA has set aside several tax risk provisions to cover various tax audits performed by the tax authorities.

The provision for income taxes amounted to €21 million at December 31, 2024 (no change from end-2023). It is chiefly related to the transfer price of LNG.

In connection with the sale of the Equans companies to Bouygues on October 22, 2022, and under the exit agreement signed with the French Equans companies that were formerly members of the tax group, ENGIE SA is fully liable for the reassessments notified by the tax authorities to the said companies. A tax risk provision was recognized at December 31, 2023 for an amount of €1.5 million. The provision was increased by €2.1 million and reversed by €0.7 million, bringing it to €2.9 million at December 31, 2024.

10.1.4 Provisions for tax consolidation

ENGIE SA has chosen to file consolidated tax returns. As a result, it sets aside a provision reflecting its obligation to transfer back to subsidiaries any tax losses utilized. In 2024, ENGIE SA recognized an addition of €111 million and a reversal of €100 million, bringing the total provision to €714 million at the year-end.

At December 31, 2007, GRDF was part of the tax consolidation group and the capital gain on the disposal of the gas distribution activity therefore had no tax impact. Since 2008, GRDF's statutory financial statements show tax savings relating to the amortizable component of the capital gain arising on the disposal. This excess amortization is canceled out at the level of the tax consolidation group. In accordance with the tax consolidation agreements signed with its subsidiaries, ENGIE SA recognized a provision for tax consolidation with respect to GRDF for a definitive amount of €1,938 million, based on the amortizable component. In 2024, the Company wrote back an amount of €50 million (€58 million in 2023), corresponding to the neutralization of the excess amortization on the amortizable component arising in the year.

Provisions for tax consolidation amounted to €938 million at end-2024, including €224 million relating to the amortizable component of GRDF's intangible assets.

10.1.5 Other provisions for contingencies and losses

Other provisions for contingencies and losses mainly include provisions for contingencies arising on other third parties, provisions for commercial litigation and claims, and provisions for currency and interest rate risk.

Movements in these provisions chiefly impact non-recurring and financial items.

Provisions for other contingencies and losses totaled €1,331 million at December 31, 2024, versus €1,783 million in 2023, and include the following amounts:

- €832 million relating to onerous contracts;
  - €275 million for long-term gas supply contracts, transmission and storage capacity contracts and an electricity swap contract that meet the accounting definition of onerous contracts. These contracts are no longer required for the Group's industrial needs and the unavoidable costs of meeting the obligations under the contracts exceed the expected future economic benefits,
  - €464 million for the CCTG Cartagena tolling contract (Spain) signed in 2011 and valid until 2028, which is considered as structurally and sustainably onerous given conditions in the Spanish electricity market,
  - €93 million related to two real estate contracts which have also met the criteria for onerous contracts since 2020;
- €163 million for other risks, mainly comprising the provision for negative fair value adjustments to commodities (€157 million);
- €32 million for interest rate risks;
- €75 million for litigation;
- €53 million for restructuring costs, of which €23 million for the provision related to the reorganizations launched in 2023 and €13 million for the T2 provision;
- €172 million in foreign exchange losses;
- €4 million for miscellaneous expenses, most of which concern the customer commitment provision.

The provision for subsidiaries' risk amounted to €702 million at December 31, 2024 (€313 million at December 31, 2023).

10.2 Tax-driven provisions and investment subsidies

In millions of euros	Dec. 31, 2023	Additions	Reversals	Transfer	Dec. 31, 2024
Tax-driven provisions	**1,099**	**488**	**(435)**	-	**1,153**
Accelerated depreciation and amortization	612	488	(404)	-	697
Provision for price increases	487		(31)	-	456
Provision for investments	-		-		-
Investment subsidies	**22**	-	**(1)**	-	**21**
TOTAL	**1,122**	**488**	**(436)**	-	**1,174**

NOTE 11 BORROWINGS AND DEBT

11.1 Summary of borrowings and debt

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Borrowings	**41,587**	**37,499**
Hybrid bonds	4,038	3,393
Bonds	31,560	27,739
Other loans	5,989	6,368
Amounts payable to equity investments	**4,500**	**4,000**
Current accounts with subsidiaries	**2,562**	**4,946**
Other borrowings and debt	**692**	**639**
Deposits received from customers	46	84
Deposits received on derivatives	-	-
Tax consolidation	(30)	59
Current portion of interest due	650	457
Bank overdrafts	24	28
Miscellaneous	2	12
TOTAL	**49,341**	**47,084**

The €2,257 million increase in borrowings and debt is mainly due to:

- a €3,821 million increase in bonds (corresponding to €4,442 million in new issues for 2024 offset by bond maturities for €840 million);
- a €645 million increase in convertible bonds (corresponding to €1,835 million in new issues for 2024 offset by bond maturities for €1,190 million);
- a €379 million decrease in other borrowings and debt due to a €605 million decrease in Negotiable European Commercial Paper (USCP CP) offset by a drawdown on a credit line of €221 million;
- a €2,384 million decrease in credit balances on current accounts with subsidiaries;
- an €89 million decrease in the tax consolidation current account;
- a €500 million increase in Group borrowings.

11.2 Maturities of borrowings, debt and payables

		Due		
In millions of euros	Dec. 31, 2024	End-2025	Between 2026 and 2029	2030 and beyond
Borrowings and debt	**49,341**	**10,695**	**12,492**	**26,154**
Hybrid bonds	4,038	648	850	2,540
Bonds	31,560	1,016	11,334	19,210
Other loans	5,989	5,277	308	404
Amounts payable to equity investments	4,500	500	-	4,000
Current accounts with subsidiaries	2,562	2,562	-	-
Other borrowings and debt	692	692	-	-
Trade and other payables	**9,370**	**9,370**	-	-
Tax and employee-related liabilities	**2,352**	**2,352**	-	-
Other liabilities	**4,542**	**4,542**	-	-
Advances from customers	1,191	1,191	-	-
Other	3,352	3,352	-	-
Advances and downpayments received on orders	**67**	**67**	-	-
TOTAL	**65,673**	**27,027**	**12,492**	**26,154**

11.2.1 Breakdown of hybrid bonds

	Dec. 31, 2024	Issue date	Interest repricing date	Interest	Listing
PUBLIC ISSUES					
In millions of euros	455	01/2019	02/2025	3.250%	Paris
In millions of euros	193	07/2019	04/2025	1.625%	Dublin
In millions of euros	850	11/2020	11/2028	1.500%	Paris
In millions of euros	705	07/2021	07/2031	1.875%	Paris
In millions of euros	800	06/2024	03/2030	4.750%	Paris
In millions of euros	1,035	06/2024	03/2033	5.125%	Paris

11.2.2 Breakdown of bonds

	Dec. 31, 2024	Issue date	Maturity date	Interest	Listing
PUBLIC ISSUES					
In millions of euros	300	03/2011	03/2111	5.950%	Paris
In millions of euros	1,246	05/2014	05/2026	2.375%	Paris
In millions of euros	750	03/2015	03/2026	1.000%	Paris
In millions of euros	500	03/2015	03/2035	1.500%	Paris
In millions of euros	800	03/2017	03/2028	1.500%	Paris
In millions of euros	750	09/2017	02/2029	1.375%	Paris
In millions of euros	750	09/2017	09/2037	2.000%	Paris
In millions of euros	750	06/2018	06/2028	1.375%	Paris
In millions of euros	343	09/2018	09/2025	0.875%	Paris
In millions of euros	500	09/2018	09/2033	1.875%	Paris
In millions of euros	750	06/2019	06/2027	0.375%	Paris
In millions of euros	750	06/2019	06/2039	1.375%	Paris
In millions of euros	627	09/2019	03/2027	0.000%	Paris
In millions of euros	900	10/2019	10/2030	0.500%	Paris
In millions of euros	600	10/2019	10/2041	1.250%	Paris

	Dec. 31, 2024	Issue date	Maturity date	Interest	Listing
In millions of euros	604	03/2020	03/2025	1.375%	Paris
In millions of euros	750	03/2020	03/2028	1.750%	Paris
In millions of euros	750	03/2020	03/2032	2.125%	Paris
In millions of euros	575	06/2020	06/2027	0.375%	Paris
In millions of euros	750	10/2021	10/2029	0.375%	Paris
In millions of euros	650	09/2022	09/2029	3.500%	Paris
In millions of euros	750	10/2021	10/2036	1.000%	Paris
In millions of euros	1,175	01/2023	01/2035	4.000%	Paris
In millions of euros	750	01/2023	01/2043	4.250%	Paris
In millions of euros	1,100	01/2023	01/2030	3.625%	Paris
In millions of euros	500	09/2023	09/2027	3.750%	Paris
In millions of euros	800	09/2023	01/2031	3.875%	Paris
In millions of euros	800	09/2023	09/2034	4.250%	Paris
In millions of euros	900	09/2023	09/2042	4.500%	Paris
In millions of euros	600	12/2023	12/2026	3.625%	Paris
In millions of euros	900	12/2023	12/2033	3.875%	Paris
In millions of pounds sterling	500	10/2008	10/2028	7.000%	Luxembourg
In millions of pounds sterling	1,100	10/2010	10/2060	5.000%	Paris
In millions of pounds sterling	650	04/2023	04/2053	5.630%	Paris
In millions of Swiss francs	-	10/2012	10/2024	1.625%	Zurich
In millions of Swiss francs	190	07/2023	01/2027	2.340%	Zurich
In millions of Swiss francs	225	07/2023	07/2031	2.490%	Zurich
In millions of euros	600	03/2024	03/2031	3.625%	Paris
In millions of euros	800	03/2024	03/2036	3.875%	Paris
In millions of euros	600	03/2024	03/2044	4.250%	Paris
In millions of US dollars	750	04/2024	04/2029	5.250%	Luxembourg
In millions of US dollars	750	04/2024	04/2034	5.625%	Luxembourg
In millions of US dollars	500	04/2024	04/2054	5.875%	Luxembourg
In millions of pounds sterling	500	10/2024	10/2050	5.750%	Paris
PRIVATE PLACEMENTS					
In millions of euros	100	03/2013	03/2033	3.375%	Paris
In millions of euros	81	04/2013	04/2038	3.703%	None
In millions of euros	100	10/2015	10/2027	1.764%	Paris
In millions of euros	100	11/2015	11/2045	2.750%	Paris
In millions of euros	50	11/2015	11/2045	2.750%	Paris
In millions of euros	100	06/2017	06/2032	1.625%	Paris
In millions of euros	100	10/2017	09/2037	2.000%	Paris
In millions of euros	50	07/2018	07/2027	1.157%	Paris
In millions of euros	75	07/2018	07/2038	CMS	Paris
In millions of Norwegian krone	-	04/2013	04/2024	4.020%	Paris
In millions of Hong Kong dollars	1,400	10/2017	09/2032	2.650%	Paris
In millions of Hong Kong dollars	900	10/2017	10/2027	2.630%	Paris
In millions of US dollars	50	01/2019	12/2029	3.593%	None
In millions of Australian dollars	115	11/2015	11/2025	4.235%	Paris
In millions of Australian dollars	85	07/2018	07/2033	3.780%	Paris

11.2.3 Other borrowings and amounts payable to equity investments

At December 31, 2024, other borrowings mainly comprised negotiable commercial paper denominated in euros: €4,692 million of NEU CP and €309 million (equivalent to USD 321 million) of USCP. These borrowings all fall due in less than one year.

ENGIE SA has non-revolving credit lines on which €971 million had been drawn at the year-end.

The loan from ENGIE Finance is stable at €4,000 million at the year-end. A new €500 million loan was taken out with ENGIE Global market SAS during the year.

A €15 million was also taken out during the year with Banco Santander as part of funding participation in a gas supply contract with Petrogas.

11.2.4 Other borrowings and debt

Other borrowings and debt (accrued interest on borrowings and debt, current accounts with a credit balance, deposits received from customers, bank overdrafts, bank facilities, etc.) are chiefly denominated in euros.

11.3 Analysis of borrowings and debt by currency and interest rate

11.3.1 Analysis by interest rate

	After hedging of financial instruments		Before hedging of financial instruments	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Floating rate				
Bonds	9,204	5,669	75	75
Amounts payable to equity investments	4,500	4,000	4,500	4,000
Other loans	4,343	4,662	4,564	4,026
Current accounts with subsidiaries	2,562	4,946	2,562	4,946
Other borrowings and debt		-		-
Fixed rate				
Hybrid bonds	4,038	3,393	4,038	3,393
Bonds	22,356	22,070	31,485	27,664
Amounts payable to equity investments		-		-
Other loans	1,645	1,705	1,424	2,341
Other borrowings and debt	693	639	693	639
TOTAL	**49,341**	**47,084**	**49,341**	**47,084**

11.3.2 Analysis by currency

	After hedging of financial instruments		Before hedging of financial instruments	
In millions of euros	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
In euros				
Hybrid bonds	4,038	3,393	4,038	3,393
Bonds	31,560	27,739	25,425	23,906
Amounts payable to equity investments	4,500	4,000	4,500	4,000
Other loans	5,988	6,367	5,458	5,269
Current accounts with subsidiaries	2,015	4,032	2,015	4,032
Other borrowings and debt	720	578	720	578
In foreign currency				
Hybrid bonds	-	-		
Bonds		-	6,135	3,833
Amounts payable to equity investments	-	-		
Other loans	-	-	530	1,098
Current accounts with subsidiaries	547	914	547	914
Other borrowings and debt	(27)	61	(27)	61
TOTAL	**49,341**	**47,084**	**49,341**	**47,084**

NOTE 12 ACCRUALS (LIABILITIES) AND UNREALIZED FOREIGN EXCHANGE GAINS

In millions of euros	Dec. 31, 2023	Increases	Decreases	Dec. 31, 2024
Options contracts	2,257		(1,395)	862
Financial instruments	5,003	6	(1,553)	3,456
ACCRUALS (LIABILITIES)	**7,260**	**6**	**(2,948)**	**4,317**
UNREALIZED FOREIGN EXCHANGE GAINS	**440**	-	**(182)**	**258**

Accruals

Accruals related to financial instruments comprise:

- premiums on options intended to hedge commodity and/or interest rate and currency risk on debt;
- measurement at fair value of interest rate, currency and commodity derivatives not qualifying as hedges, and the currency portion of derivatives hedging the risk on debt denominated in foreign currencies.

A contingency and loss provision is recognized in respect of unrealized foreign exchange losses on contracts that do not qualify for hedge accounting (see Note 10.1.5).

Unrealized foreign exchange gains

Unrealized foreign exchange gains arise upon the translation at the year-end exchange rate of payables and receivables denominated in a currency other than the euro and upon the currency portion of derivative financial instruments intended to hedge currency risk on debt and/or commodity purchases and sales.

NOTE 13 NET OPERATING INCOME/(LOSS)

13.1 Breakdown of revenues

Revenues by region

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Energy sales		
• France	18,264	22,765
• International	17,444	26,888
Works, research and services provided	3,961	3,518
Revenues from non-core activities and other	1,136	978
TOTAL	**40,805**	**54,149**

The fall in revenues was due to negative price and volume effects, mainly in sales of electricity and sales of gas to other gas operators.

Revenues by business activity

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Energy sales		
• Natural gas	18,667	23,583
• Electricity	17,041	26,070
Other production sold		
• Works, research and services provided	3,961	3,518
• Revenues from non-core activities and other	1,136	978
TOTAL	**40,805**	**54,149**

At December 31, 2024, unbilled, unmetered revenues (energy in the meter) amounted to €2,728 million excluding tax.

13.2 Personnel costs

Change in headcount by category

In number of employees	Dec. 31, 2023	Change	Dec. 31, 2024
Operating staff	168	21	189
Senior technicians and supervisory staff	1,364	(96)	1,268
Managerial-grade staff	2,442	(95)	2,347
TOTAL	**3,974**	**(170)**	**3,804**

The average number of employees at December 31, 2024 was 3,804, compared with 3,974 in 2023.

Personnel costs break down as follows:

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Wages and salaries	(284)	(297)
Payroll expenses	(127)	(126)
Profit sharing	(17)	(16)
Other	(137)	(92)
TOTAL	**(565)**	**(531)**

Employee profit sharing

An employee profit-sharing agreement based on performance criteria was set up in compliance with the legal conditions prescribed by Order 86-1134 of October 21, 1986.

These profit-sharing mechanisms are treated as personnel costs.

13.3 Net additions to provisions

In millions of euros	Dec. 31, 2024	Dec. 31, 2023
Provision for capital renewal and replacement liabilities regarding concessions	-	-
Provision for site rehabilitation	47	(10)
Other provisions for losses	(5)	(3)
Other provisions for contingencies	(569)	358
TOTAL	**(527)**	**346**

Net additions to other contingency and loss provisions mainly comprised:

- net reversal of provisions for onerous contracts (€299.8 million);
- net addition to provisions for employee disputes (€7.3 million);
- addition to the provision for tax reassessment risk (€9.5 million);
- net reversal of provisions for contingencies (€284.3 million), mainly comprising the provision for unrealized capital losses (negative fair value of derivative financial instruments) on commodities (€279.1 million);
- net reversal of provisions for commercial litigation (€1.2 million);
- net addition to the provision for site rehabilitation (€46.9 million);
- net reversal of provisions for miscellaneous expenses (€5.6 million).

13.4 Operating expense transfers

Expense transfers are included in other operating income and amounted to €21 million in 2024 (mainly management and job reallocation costs), compared with €22 million in 2023.

13.5 Operating subsidies

Operating subsidies include the compensation for public service charges to be received as a result of the price freeze on regulated tariffs for gas and electricity sales at regulated tariffs over the year.

NOTE 14 NET FINANCIAL INCOME/(LOSS)

In millions of euros	Expenses	Income	Total Dec. 31, 2024	Total Dec. 31, 2023
Other interest income and expenses	(2,402)	1,192	(1,209)	(1,014)
Income from amounts receivable from equity investments	-	-	-	-
Foreign exchange gains/(losses)	(478)	557	80	194
Dividends received	-	1,966	1,966	1,530
Movements in provisions for financial items	(213)	30	(183)	(49)
TOTAL	**(3,092)**	**3,746**	**654**	**662**

NOTE 15 NET NON-RECURRING INCOME/(LOSS)

In millions of euros	Expenses	Income	Total Dec. 31, 2024	Total Dec. 31, 2023
Disposals of property, plant and equipment, and intangible assets	(15)	9	(7)	(36)
Disposals of financial fixed assets	(641)	648	7	41
Provision for price increases	-	31	31	(43)
Accelerated depreciation and amortization	(488)	404	(84)	(45)
Movements in provisions relating to equity investments	(991)	3,721	2,730	727
Other	(107)	57	(51)	(66)
TOTAL	**(2,243)**	**4,870**	**2,627**	**578**

The line "Movements in provisions relating to equity investments" is presented in Note 4.2. "Other" mainly includes various restructuring costs, exceptional software impairment and provisions for liability warranties.

NOTE 16 TAX POSITION

16.1 Tax consolidation

The current option to file consolidated tax returns is automatically renewed every five years.

16.2 Income tax benefit/(expense)

The income tax rate in 2024 was 25.82%, including the 3.3% social contribution.

	2024			2023		
In millions of euros	Income before tax	Income tax*	Net income/ (loss)	Income before tax	Income tax*	Net income/ (loss)
Income tax due by ENGIE SA for the period (excluding tax consolidation group)						
• on recurring income	1,421		1,421	(325)		(325)
• on non-recurring income	2,627		2,627	578		578
Income tax expense/benefit (income tax payable by subsidiaries/provision for transfer of tax savings to entities in the tax consolidation group)		**412**	**412**		**247**	**247**
• income tax including contributions of subsidiaries within the tax consolidation group	378			233		
• net change in provisions for income tax (for losses incurred by subsidiaries within the tax consolidation group)	38			(41)		
• other (mainly adjustments to research and CICE tax credits held in 2024/2023)	(4)			55		
TOTAL	**4,048**	**412**	**4,460**	**253**	**247**	**500**

* *A positive figure signifies a tax benefit.*

In 2024 and 2023, ENGIE SA generated an income tax loss on an individual company level. Dividends received from subsidiaries are eligible for “parent/subsidiary” tax treatment and are therefore exempt, subject to adding back a share of expenses equal to 1% or 5%, as applicable.

The income tax benefit amounted to €412.3 million in 2024 versus an income tax benefit of €246.8 million in 2023, chiefly reflecting:

- a tax consolidation benefit of €378.2 million in 2024 versus €233.3 million in 2023. This tax consolidation gain arises from the difference between:
  - the €440.9 million contribution to Group income tax due in 2024 to ENGIE SA by subsidiaries reporting a profit (€232.8 million in 2023);
  - the income tax expense of the tax consolidation group of €62.6 million in 2024, versus an income tax benefit of €0.5 million in 2023;
  - a prior-year tax expense of €0.1 million;
- a net reversal of €37.9 million of the income tax provision in 2024 compared with a net addition of €41.1 million in 2023, mainly reflecting:
  - a €11.2 million net addition in respect of the utilization of tax losses by consolidated subsidiaries of ENGIE SA versus a €98.5 million net addition in 2023,
  - a net addition of €1.4 million for tax risks, compared with €1.2 million in 2023,
  - €50.5 million in reversals of provisions relating to the excess amortization during the period of the amortizable portion of the capital gain generated on the sale of gas distribution activities in 2007, compared to €58.6 million in 2023;
- other miscellaneous tax expenses of €3.8 million in 2024, compared with €54.6 million in 2023, mainly comprising 2024 research tax credits of €3.8 million, a tax expense of €3.4 million linked to tax reassessments of subsidiaries in the tax consolidation group, and a Pillar Two tax expense of €4.2 million. The tax credit of €54.6 million in 2023 was mainly due to the change in the internal contribution of subsidiaries included in the tax consolidation group in 2022 for an amount of €28.8 million and €18.3 million in research tax benefits in 2023.

16.3 Deferred tax

The deferred tax position shown in the table below results from temporary differences between the treatment of income and expenses for tax and accounting purposes.

In millions of euros	2024 25.82%	2023 25.82%
Year of reversal	**2025 and beyond**	**2024 and beyond**
Deferred tax liabilities		
• Unrecognized deductible expenses	422	270
• Untaxed income recognized	51	67
Deferred tax assets		
• Temporary non-deductible expenses recognized	1,893	1,903
• Unrecognized taxable income	383	514
Net deferred tax base	**1,803**	**2,080**
• Theoretical impact of deferred tax	466	537

NOTE 17 OFF-BALANCE SHEET COMMITMENTS (EXCLUDING EMPLOYEE BENEFIT OBLIGATIONS)

17.1 Financial commitments

The ENGIE Group's Finance Division is responsible for managing all financial risks (interest rate, currency, liquidity and credit risks).

17.1.1 Liquidity risk

The Group's financing policy is based on:

- centralizing external financing;
- diversifying sources of financing between credit institutions and capital markets;
- achieving a balanced debt repayment profile.

The centralization of financing needs and cash flow surpluses for the Group is provided by its financing vehicles (long-term and short-term), as is automated cash centralization *via* its cash pooling vehicles.

Short-term cash requirements and cash surpluses for Europe are managed by dedicated financial vehicles in France (ENGIE Finance) and Luxembourg (ENGIE Treasury Management). These vehicles centralize virtually all of the cash requirements and surpluses of companies controlled by the Group, ensuring that counterparty risk and the investment strategy are managed consistently.

The Group seeks to diversify its long-term sources of financing by carrying out public or private bond issues within the scope of its Euro Medium Term Notes program. It also issues NEU CP (Negotiable European Commercial Paper) in France as well as USCP (United States Commercial Paper) in the United States.

Long-term capital markets are accessed chiefly by ENGIE SA in connection with the Group's new bond issues, and in connection with commercial paper.

As commercial paper is relatively inexpensive and highly liquid, it is used by the Group in a cyclical or structural fashion to finance its short-term cash requirements. However, all outstanding commercial paper is backed by confirmed bank lines of credit so that the Group could continue to finance its activities if access to this financing source were to dry up.

The Group's liquidity is based on maintaining cash and cash equivalents and access to confirmed credit facilities. ENGIE SA can therefore access facilities readily convertible into cash, enabling it to meet its cash requirements in the ordinary course of business or to serve as a bridge to finance external growth operations:

- ENGIE SA has credit facilities with various banks under which €13,919 million remains undrawn. These facilities include two syndicated credit lines, respectively for €4,500 million and €4,000 million, maturing in September 2028 and December 2028. At December 31, 2024, ENGIE SA had drawn down €971 million on these facilities. These facilities are not subject to any covenants or credit rating requirements;
- ENGIE SA also has access to short-term debt markets through short-term debt issues: USCP for USD 321 million (€309 million) and NEU CP for €4,692 million at December 31, 2024.

17.1.2 Counterparty risk

ENGIE SA is exposed to counterparty risk arising on its operating and financing activities.

To manage counterparty risk arising on operating activities, the Group has put in place monitoring procedures adapted to the characteristics of the counterparties concerned (private corporations, individuals, and public authorities). Customers representing a major counterparty for the Company are covered by procedures applicable to the financial activities described below, thereby providing broad-ranging oversight of the corresponding counterparty risk.

For its financing activities, ENGIE SA has put in place procedures for managing and monitoring risk based on:

- accreditation of counterparties according to external credit ratings;

- objective market data (credit default swaps, market capitalization);
- their financial strength; and
- risk exposure limits put in place.

ENGIE SA also draws on a structured legal framework based on master agreements (including netting clauses) and collateralization contracts (margin calls) to reduce its exposure to counterparty risk. The oversight procedure for managing counterparty risk arising from financing activities is managed by a middle office reporting to the Group's Finance Division.

17.1.3 Interest rate risk

ENGIE SA has adopted a policy for optimizing the cost of its net debt using a combination of financial instruments (interest swaps and options) according to market conditions.

ENGIE SA takes care to ensure that the difference between its floating-rate debt and its cash surpluses invested at a floating rate has a low degree of exposure to adverse changes in short-term interest rates.

Positions are managed centrally and are reviewed each quarter or whenever any new financing is raised. Management must approve in advance any transaction that causes the interest rate mix to change significantly.

	Notional amount at Dec. 31, 2024						
In millions of euros	Due in 1 year or less	Due in 1 to 5 years	Due in 6 to 10 years	Due after 10 years	Total	Fair value including accrued interest	Notional amount at Dec. 31, 2023
Interest rate swap							
Fixed-rate borrower/floating-rate lender	1,945	2,458	3,600	4,886	12,889	783	12,046
Floating-rate borrower/fixed-rate lender	7,017	4,308	6,800	6,742	24,867	(337)	21,557
Floating-rate borrower/floating-rate lender	50			600	650	(2)	
SWAPTIONS							
Floating-rate borrower/fixed-rate lender					-		
TOTAL EUR	**9,012**	**6,766**	**10,400**	**12,228**	**38,406**	**444**	**33,603**
Interest rate swap							
Fixed-rate borrower/floating-rate lender	549	734			1,283	24	1,206
Floating-rate borrower/fixed-rate lender	963	481	481		1,925	(42)	-
TOTAL USD	**1,512**	**1,215**	**481**	-	**3,208**	**(18)**	**1,206**
Interest rate swap							
Fixed-rate borrower/floating-rate lender							
Floating-rate borrower/fixed-rate lender				302	302		-
TOTAL GBP	-	-	-	302	302	(26)	-
TOTAL	**10,524**	**7,981**	**10,881**	**12,530**	**41,916**	**400**	**34,809**

In millions of euros	Notional amount at Dec. 31, 2024						
	Due in 1 year or less	**Due in 1 to 5 years**	**Due in 6 to 10 years**	**Due after 10 years**	**Total**	**Fair value including accrued interest**	**Notional amount at Dec. 31, 2023**
Currency swap							
Fixed-rate borrower/fixed-rate lender		638		2,031	2,669	(626)	2,669
Fixed-rate borrower/floating-rate lender					-		-
TOTAL GBP	-	**638**	-	**2,031**	**2,669**	**(626)**	**2,669**
Currency swap							
Fixed-rate borrower/fixed-rate lender	-	-		-	-		149
Floating-rate borrower/fixed-rate lender					-		
TOTAL JPY	-	-	-	-	-	-	**149**
Currency swap							
Fixed-rate borrower/fixed-rate lender	-	-	231	-	231	22	231
Floating-rate borrower/fixed-rate lender		195			195	18	339
TOTAL CHF	-	**195**	**231**	-	**426**	**40**	**570**
Currency swap							
Fixed-rate borrower/fixed-rate lender		266	331		597	(4)	44
Fixed-rate borrower/floating-rate lender					-		-
Floating-rate borrower/floating-rate lender					-		-
Floating-rate borrower/fixed-rate lender	-				-	-	-
TOTAL USD	-	**266**	**331**	-	**597**	**(4)**	**44**
Currency swap							
Fixed-rate borrower/fixed-rate lender					-		67
TOTAL NOK	-	-	-	-	-	-	**67**
Currency swap							
Fixed-rate borrower/fixed-rate lender	75		54	-	129	(8)	129
TOTAL AUD	**75**	-	**54**	-	**129**	**(8)**	**129**
Currency swap							
Fixed-rate borrower/fixed-rate lender	-	98	153	-	251	30	251
TOTAL HKD	-	**98**	**153**	-	**251**	**30**	**251**
Currency swap							
Fixed-rate borrower/floating-rate lender	-	216	-	-	216	(2)	-
TOTAL CNH	-	**216**	-	-	**216**	**(2)**	-
TOTAL	**75**	**1,413**	**769**	**2,031**	**4,288**	**(570)**	**3,879**

Interest rate hedges outstanding at December 31, 2024 are described below:

- ENGIE SA entered into short-term swaps (maturing in less than six months) to hedge the interest rate risk on its short-term cash management transactions (NEU CP issues). These are floating-rate borrower (Ester)/fixed-rate lender swaps with a notional amount of €517 million;
- in line with the Group's interest rate risk policy and with due reference to market conditions, interest rate risk is managed centrally through the use of interest rate swaps and options within the framework of an annual risk mandate;
- as part of the Group's interest rate risk management policy, since 2009 ENGIE SA has set up interest rate hedges indexed to the dollar, fixing the interest rate on the Group's USD debt, for a nominal amount of USD 1,763 million at end-2024 (€1,697 million);
- ENGIE SA has a portfolio of 2024 forward interest rate pre-hedges with a maturity in 2034 to protect the refinancing interest rate on a portion of its debt at the Group level.

17.1.4 Currency risk

Foreign currency exchange risk ("FX" risk) is reported and managed based on a Group-wide approach, reflected in a dedicated Group policy that is approved by the Group Management Committee. At ENGIE SA level, there are three main sources of currency risk:

- regular transaction risk: this risk arises on commercial transactions involving the purchase and sale of natural gas in a currency other than the euro. Gas purchase and sale contracts are often indexed to the price of oil-based products, mostly listed in US dollars;
- financial transaction risk: all significant exposures related to cash, financial debt, etc. are systematically hedged;
- translation risk: this involves consolidated entities that do not have the euro as their functional currency. The main exposures to translation risk correspond to assets in USD, BRL and GBP.

The exposure to currency risk on these transactions is managed and monitored as follows:

- pass-through mechanisms are applied in determining (i) sale prices for eligible customers, and (ii) regulated rates;
- the margin on fixed-price sale contracts or contracts indexed by financial swaps is hedged;
- translation risk is managed centrally, with a focus on securing the net asset value.

There is a time lag between the impact of fluctuations in the US dollar on procurement costs and their repercussions on sales prices, reflecting mainly the effect of rolling averages and the inventory cycle.

To manage its exposure to fluctuations in exchange rates, ENGIE SA mainly uses forward currency purchase or sale contracts and currency swaps to hedge its gas purchases and its financing activities.

To limit the impact of translation risk on certain amounts receivable from equity investments and on future foreign currency purchases, and to hedge the net asset risk arising on consolidation, ENGIE SA has taken new positions or reinforced existing positions in forward currency transactions that allow it to cancel out or minimize translation adjustments on these deposits and loans or other future operations.

At December 31, 2024, commitments corresponding to translation and financial risk were as follows:

In millions of euros	Fixed portion of commitments at Dec. 31, 2024 Maturity			Euro equivalent at Dec. 31, 2024	Exchange rate fluctuations at Dec. 31, 2024	Fixed portion of commitments at Dec. 31, 2023
Forward contracts	**2025**	**2026**	**2027 and beyond**			
LONG POSITIONS						
AUD	83	65	10	158	(2)	140
CAD				-		
CHF				-		39
CNH				-		5
GBP	44			44	1	38
NZD				-		
PLN				-		
USD	1,122	25		1,147	27	1,761
ZAR	36			36	(1)	
SHORT POSITIONS						
AUD	5			5		
CAD				-		
CHF				-		39
CNH				-		5
GBP	159			159	1	148
NZD				-		
PLN				-		1
USD	2,865	769	1,166	4,800	162	
ZAR	36			36	(1)	4,251

17.1.5 Other financial commitments given

In millions of euros	Total at Dec. 31, 2024	Maturity		
		End-2025	Between 2026 and 2029	2030 and beyond
Market-related commitments				
Performance and other guarantees	329	256	61	12
Performance and other guarantees given on behalf of subsidiaries	7,195	2,110	945	4,140
Financing commitments				
Personal sureties given	-			
Guarantees and endorsements given to subsidiaries	9,153	1,135	846	7,172
Collateral given	-			
Credit lines	-			
Other commitments given				
Contractual guarantees for sales of businesses	4,130		3,851	279
Operating lease commitments	758	63	249	446
Finance lease commitments	-			
Commitments relating to LNG tankers	-			

Market-related commitments totaling €7,524 million at end-2024 comprise performance and other guarantees given by ENGIE SA with respect to operating contracts, both on its own behalf and on behalf of its subsidiaries.

Financing commitments totaling €9,153 million correspond to payment guarantees granted by ENGIE SA to third parties on behalf of its subsidiaries.

Contractual guarantees for sales of businesses totaling €4,130 million relate mainly to commitments given on the disposals of:

- 25% of GRTgaz to Société d'Infrastructures Gazières (SIG). ENGIE SA has given SIG a 20-year warranty against any losses incurred by SIG due to inaccurate representations regarding the non-pollution of the land owned or exploited by GRTgaz and the cost of the resulting clean-up work payable by GRTgaz not covered by the tariffs. The amount of the warranty is €167 million and is proportional to the percentage interest in GRTgaz (25%) acquired by SIG in July 2011;
- ENGIE Exploration & Production (EPI), following the sale of the 30% minority interest to Fullbloom Investment Corporation (FIC), a wholly owned subsidiary of China Investment Corporation (CIC) in 2011, for an amount of up to €3,032 million expiring in 2026;
- 10% of train 1 of the Atlantic LNG facility in Trinidad and Tobago, for an amount of up to €818 million expiring in 2026;
- Culturespaces on January 14, 2022, expiring on March 30, 2026, for a total amount of €0.9 million;
- Equans and Bouygues for certain fundamental and tax representations, which expire no later than the applicable limitation period and for a maximum amount of €112.5 million for a specific warranty on certain Equans contracts.

Operating lease commitments totaling €758 million relate to the present value of lease payments outstanding through to maturity of the property leases within the scope of ENGIE SA's operations. Commitments for the Campus and Urban Garden projects remain stable at €577 million and €30 million respectively. As certain property lease expenses are rebilled to Group subsidiaries, the corresponding commitments are shown in commitments received.

Other commitments have been given in respect of performance and completion guarantees:

- to the Hong Kong authorities, in respect of contracts awarded to Sita (which became SUEZ Environnement and then SUEZ), which counter-guaranteed ENGIE SA for the same amounts. These contracts relate to:
  - the operation of the Nent landfill in partnership with the Newworld and Guandong groups until 2063,
  - the operation of various landfill sites, including Went until 2033, NWNT until 2030, Tseung Kwan until 2029 and Pillar Point until 2036, initially in partnership with Swire Pacific Ltd. When Swire Pacific sold its interest in the Swire SITA Waste Services joint venture to its partner SUEZ Environnement in December 2009, these guarantees were reissued by ENGIE SA. However, if a guarantee is called in respect of the period during which the subsidiary was under joint control, the Swire Group has agreed in principle to share the ultimate liability equally between the two groups;
- in 2008, SUEZ Environnement (which became SUEZ in 2016) undertook to counter-guarantee all of the guarantees given by ENGIE SA for the Environment Division entities for which SUEZ was not yet counter-guaranteed;
- as part of the spin-off of water and wastewater activities in 2000, a performance guarantee expiring in 2028 was granted by ENGIE SA in the context of its transfer of local public service franchise contracts to Lyonnaise des Eaux. At end-2024, there were two such contracts expiring in 2025. The new entity, SUEZ, pledged an indemnity in respect of these contracts in 2022 that counter-guarantees ENGIE's commitment.

Following Veolia's takeover bid for SUEZ, ENGIE SA informed Veolia of the commitments and performance guarantees for certain contracts granted by ENGIE SA to SUEZ and its subsidiaries. Veolia undertook, as soon as it had obtained control of SUEZ – which is now the case – to use best efforts to take ENGIE's place in those commitments and guarantees and to counter-guarantee, either directly or through a subsidiary, all of ENGIE's obligations thereunder. Veolia has also undertaken to do its utmost to ensure the full and proper performance by SUEZ or its subsidiaries of the contracts covered by these commitments and guarantees.

17.1.6 Other financial commitments received

In millions of euros	Total at Dec. 31, 2024	Maturity		
		End-2025	Between 2026 and 2029	2030 and beyond
Market-related commitments				
Performance and other guarantees	92	47	45	-
Financing commitments				
Undrawn credit facilities	11,977	848	10,150	979
Personal sureties received	-			
Other financing commitments received	-	-	-	-
Other financing commitments received in relation to subsidiaries	-	-	-	-
Other commitments received				
Counter-guarantees for personal sureties	-			
Counter-guarantees for trading commitments	-	-	-	-
Operating lease commitments	131	63	60	8
Finance lease commitments	-	-	-	-
Commitments relating to LNG tankers	-	-	-	-

ENGIE SA secured a €5,000 million syndicated credit line in April 2014. It was initially due to mature in 2019 but has been extended to December 2028 with a reduction in the commitment to €4,500 million. A new €4,000 million syndicated credit line was secured in December 2021 maturing December 2026, however it has been extended through December 2028.

Operating lease commitments totaling €131 million correspond to the rebilling of rent for premises occupied by Group subsidiaries.

17.2 Commodity-related commitments

17.2.1 Natural gas and electricity commitments

Gas supplies in Europe are based partly on long-term contracts. These long-term commitments make it possible to finance costly production and transmission infrastructures. The seller makes a long-term commitment to serve the buyer, subject to a commitment by the latter to buy minimum quantities regardless of whether or not it takes delivery thereof. These commitments are combined with backup measures (*force majeure*) and flexible volume arrangements, making it possible to manage any uncertainties affecting demand, primarily weather conditions, as well as any technical contingencies that may arise.

These types of contracts can run up to 25 years and are used by ENGIE SA to meet the demands of its customers for natural gas in the medium and long term.

ENGIE SA can also enter into forward purchase and sale contracts for natural gas, primarily at maturities of less than one year, as part of its trading activities. These consist of purchases and sales on short- and medium-term markets and offers featuring engineered prices for other operators.

The contracts provide for reciprocal commitments regarding specified quantities of gas:

- a commitment by ENGIE SA to purchase quantities of gas above a minimum threshold;
- a commitment by suppliers to provide these quantities at competitive prices.

The appeal of these contracts is provided by indexed price formulas and price adjustment mechanisms. ENGIE SA makes the bulk of these purchases under such contracts.

At December 31, 2024, ENGIE SA had firm commitments to purchase a minimum of 348 TWh within one year, 1,020 TWh between two and five years, and 1,243 TWh after five years.

At December 31, 2024, ENGIE SA had firm commitments to purchase a minimum of 90 TWh within one year, 165 TWh between two and five years, and 173 TWh after five years.

To meet its commitments to take delivery of specified volumes, ENGIE SA has entered into long-term contracts to reserve land and sea transmission capacities.

At December 31, 2024, commitments given by ENGIE SA totaled 70 TWh under forward electricity purchase contracts and 105 TWh under forward electricity sale contracts.

17.2.2 Commodity derivatives

As part of its energy brokerage activities, ENGIE SA uses energy derivatives to adjust its exposure to fluctuations in prices of natural gas, electricity and oil products.

Commodity derivatives (natural gas, oil and electricity) consist mainly of swaps, futures and options set up to manage price risk within the scope of ENGIE SA's trading activities. These instruments are traded with third parties by the Company's specialized subsidiary, ENGIE Global Markets on organized or over-the-counter markets.

These derivatives are contracted to manage risks arising on:

- price engineering transactions designed to meet the growing demand among customers for tight controls on gas and electricity price risk. These products are primarily intended to guarantee a commercial margin regardless of trends in the commodity indexes included in the prices offered to customers, even when they differ from the commodity indexes to which ENGIE SA purchases are pegged. Options (calls and puts) are set up to guarantee maximum and minimum prices;
- measures taken to optimize procurement costs. Energy procurement costs, assets used in electricity production and reservations of available transmission and storage capacity not required to supply customers are systematically valued on the market.

The exposure to commodity price risk on commercial transactions is managed and monitored as follows:

- pass-through mechanisms are applied in determining (i) sale prices for eligible customers, and (ii) regulated rates;
- the margin on fixed-price sale contracts or contracts indexed by financial swaps is hedged.

Depending on the nature of the hedged items, gains and losses on these transactions are recognized either in revenue or in energy purchase cost.

There is a time lag between the impact of changes in commodity prices on procurement costs and their repercussion on sales prices, reflecting mainly the effect of rolling averages and the inventory stocking/run-down cycle.

17.2.2.1 Instruments not recognized as hedges

	Notional amount at Dec. 31, 2024				Fair value at Dec. 31, 2024	Notional amount at Dec. 31, 2023
	In GWh by maturity					
	x < 1 year	**1 year < x < 2 years**	**x > 2 years**	*(In millions of euros)*	*(In millions of euros)*	*(In GWh)*
SWAPS (LONG POSITION)						
Natural gas	61,266	20,489	8,406	2,404	415	(1,135)
Oil-based products	8,168	105	-	52	(52)	53
Electricity	853	810	41	156	(11)	127
CER EUA – CO_2[(1)]	-	-	-	-	-	
SWAPS (SHORT POSITION)						
Natural gas	(53,861)	(17,681)	(6,790)	(2,217)	(282)	1,046
Oil-based products	(2,905.74)	(105)	-	(22)	22	(8)
Electricity	(1,932.82)	(1,075.11)	(277)	(261)	(116)	180
CER EUA – CO_2[(1)]	-	-	-	-	-	-
OPTIONS (LONG POSITION)						
Natural gas	394	67	-	5	3	10
Oil-based products	-	-	-	-	-	-
Electricity		-	-		-	-
OPTIONS (SHORT POSITION)						
Natural gas	(11,019.70)	(4,553.03)	(718)	(40)	(16)	(39)
Oil-based products	-	-	-	-	-	-
Electricity						(11)

(1) In kilos of CO_2 quotas.

17.2.2.2 Instruments recognized as hedges

Hedge accounting is not used in ENGIE SA's parent company financial statements.

17.2.2.3 Physical delivery contracts

	Notional amount at Dec. 31, 2024				Fair value at Dec. 31, 2024	Notional amount at Dec. 31, 2023
	in GWh by maturity					
	x < 1 year	**1 year < x < 2 years**	**x > 2 years**	*(In millions of euros)*	*(In millions of euros)*	*(in GWh)*
FORWARDS (LONG POSITION)						
Natural gas	553,178.17	117,051.56	53,907.51	28,783.06	3,774.86	(17,143)
Oil-based products	-	-	-	-	-	-
Electricity	48,767.94	22,767.95	10,542.55	7,602.26	(1,358.57)	(6,152)
CER EUA – CO_2(1)	-	-	-	-	-	-
FORWARDS (SHORT POSITION)						
Natural gas	(558,947.64)	(93,914.22)	(26,054.83)	(27,558.92)	(3,609.97)	17,568
Oil-based products	-	-	-	-	-	-
Electricity	(32,095.12)	(6,428.43)	(1,136.85)	(3,427.41)	344	3,052
CER EUA – CO_2(1)	-	-	-	-	-	-
OPTIONS (LONG POSITION)						
Natural gas	313	342	-	19	99	148
Oil-based products	-	-	-			-
Electricity	18,525.72	6,875.94	1,439.01	492	240	250
OPTIONS (SHORT POSITION)						
Natural gas	-	-	-	(83)	(52)	(382)
Oil-based products	-	-	-	-	-	-
Electricity	(20,324.97)	(6,627.56)	-	(690)	(142)	(372)

(1) In kilos of CO_2 quotas.

17.3 Insurance of eligible risks

ENGIE SA systematically transfers all material risks based on an identification of risks eligible for insurance – particularly relating to Company assets and damages caused to third parties. Insurance policies offer extensive coverage in order to limit the financial impact of any claims on the Group's accounts.

To ensure a consistent approach, insurance policies are managed at Group level. As a result, new projects developed by subsidiaries can be incorporated within existing policies to enable the parent company to fully assume its role for its majority-owned subsidiaries.

NOTE 18 PENSIONS AND OTHER EMPLOYEE BENEFIT OBLIGATIONS

Overview of obligations

	EGI sector plan		Non-EGI sector plan		Total	
In millions of euros	Dec. 31, 2024[1]	Dec. 31, 2023	Dec. 31, 2024[1]	Dec. 31, 2023	Dec. 31, 2024[1]	Dec. 31, 2023
Pension benefit obligations	**1,550**	**1,536**	**215**	**221**	**1,765**	**1,756**
Pension plan	1,550	1,536	215	221	1,765	1,756
End-of-career and other post-employment benefits	**252**	**274**	**15**	**15**	**267**	**289**
Reduced energy and water prices	173	194	3	3	176	197
End-of-career indemnities	33	33		-	33	33
Immediate bereavement benefits	34	35		-	34	35
Other[2]	12	12	12	12	24	24
Other employee benefits	**68**	**68**	**-**	**-**	**68**	**68**
Disability benefits and other	62	61	-	-	62	61
Long-service awards	6	6	-	-	6	6
TOTAL	**1,870**	**1,878**	**230**	**236**	**2,100**	**2,114**

(1) *Including €83 million covered by a provision in the parent company financial statements (see Note 19.4).*

(2) *Indemnities for the partial reimbursement of educational expenses, exceptional end-of-career vacation and the former SUEZ supplementary healthcare plan.*

Actuarial assumptions

The actuarial assumptions were determined together with independent actuaries. Weighted discount rates for the main actuarial assumptions are presented below:

	Pension benefit obligations		Other post-employment benefit obligations		Long-term benefit obligations		Total benefit obligations	
EGI sector plan	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Discount rate	3.63%	3.55%	3.62%	3.54%	3.40%	3.43%	3.55%	3.51%
Inflation rate	1.98%	2.02%	1.98%	2.02%	1.98%	2.02%	1.98%	2.02%
Average remaining working years of participating employees	20 years	20 years	20 years	20 years	20 years	20 years	20 years	20 years

Non-EGI sector plan	Pension benefit obligations		Other post-employment benefit obligations		Long-term benefit obligations		Total benefit obligations	
Former SUEZ	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Discount rate	3.63%	4.04%	-	-	-	-	3.63%	4.04%
Inflation rate	2.02%	2.15%	-	-	-	-	2.02%	2.15%
Average remaining working years of participating employees								

Non-EGI sector plan	Pension benefit obligations		Other post-employment benefit obligations		Long-term benefit obligations		Total benefit obligations	
Former Cie Financière	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Discount rate	3.63%	4.04%	-	-	-	-	3.63%	4.04%
Inflation rate	2.02%	2.15%	-	-	-	-	2.02%	2.15%
Average remaining working years of participating employees								

According to the Group's estimates, a 1% increase or decrease in the discount rate would result in a change of 15% in the projected benefit obligation.

18.1 Pensions

The main defined-benefit plans operated by ENGIE SA comprise:

- pensions falling within the scope of the special plan for companies belonging to the electricity and gas industries sector ("EGI");
- pension plans taken over following the merger of SUEZ into ENGIE SA:
  - the 1953 supplementary pension plan, closed since December 31, 1988,
  - plans operated by the former Compagnie de SUEZ (annuity plans based on end-of-career salaries),
  - supplementary pension plans for senior managers operated by all water companies (annuity plans based on end-of-career salaries).

French government order No. 2019-697 on top-up pension plans, which was published on July 4, 2019 pursuant to the European Directive of April 16, 2014, abolished the defined-benefit pension plans governed by Article L.137-11 of the French Social Security Code (known as "Article 39 plans"), froze the rights of existing members and closed the plans to any new members as of that date.

Following the plan's closure and crystallization of rights accrued in 2019, in 2020 the Group transferred the rights of beneficiaries, including Executive Committee members, to a defined contribution plan (known as an "Article 82" plan).

EGI sector pension plan

Salaried employees and retirees of EGI sector companies have been fully affiliated to the Caisse Nationale des Industries Électriques et Gazières (CNIEG) since January 1, 2005. The CNIEG is a private welfare body placed under the joint responsibility of the ministries in charge of social security and the budget. The conditions for calculating benefit entitlements under the EGI plan are set out in the national statute for EGI sector employees (Decree of June 22, 1946) and determined by the government. By law, companies cannot amend any of these conditions.

Unregulated past specific benefits (at December 31, 2004) are funded by EGI sector entities to the extent defined by Decree No. 2005-322 of April 5, 2005. For ENGIE SA, this funding obligation represents 3.25% of the past specific benefit obligations of all EGI sector companies.

The specific benefits vested under the plan since January 1, 2005 are wholly financed by EGI sector companies in proportion to their respective share of the electricity and gas market as measured in terms of total payroll costs.

The special EGI pension plan has been closed to new members since September 1, 2023.

Calculation of pension obligations

ENGIE SA's pension obligations are calculated using a yield-to-maturity method in line with ANC Recommendation 2013-02 of November 7, 2013. The method used is known as the projected unit credit method and is based on assumptions regarding end-of-career salaries, retirement ages, changes in the population of retired employees and payment of benefits to surviving spouses.

The obligations are calculated as follows:

- based on the rights vested at the measurement date, under both the EGI plan and statutory pension plans;
- for all active and retired employees in the EGI sector, and all employees and eligible beneficiaries for former SUEZ plans;
- actuarial gains and losses are recognized immediately.

18.2 Other employee benefit obligations

Benefits payable to active and retired employees of EGI sector companies (excluding pensions) are described below:

- post-employment benefits:
  - reduced energy prices,
  - end-of-career indemnities,
  - exceptional end-of-career vacation,
  - death in service benefits (*régime des capitaux décès*),
  - assistance with educational expenses;
- long-term benefits:
  - allowances for occupational accidents and illnesses,
  - temporary and permanent disability allowances,
  - long-service awards,
  - asbestos benefit.

Retired employees of former SUEZ are eligible for post-employment benefits consisting of a cash contribution to the costs of their water supply and complementary healthcare insurance.

The obligation is calculated using the projected unit credit method.

The Group's main obligations are described below.

18.2.1 Reduced energy prices

Under Article 28 of the national statute for EGI sector personnel, all current and former employees are entitled to benefits in kind which take the form of energy. This benefit entitles employees to electricity and gas supplies at a reduced price.

The amount of the obligation regarding gas supplied to ENGIE SA and EDF employees corresponds to the likely present value of the power (kWh) supplied to the employees or their dependents during the retirement phase, assessed based on the unit cost of the energy. The amount of the obligation also takes account of the likely value of the price of the energy exchange agreement with EDF.

18.2.2 End-of-career indemnities,

As of July 1, 2008, retiring employees (or their dependents in the event of death during active service) are entitled to end-of-career indemnities which increase in line with the length-of-service within the EGI sector, capped at 40 years.

18.2.3 Allowances for occupational accidents and illnesses,

Like other employees under the standard pension plan, EGI sector employees are entitled to compensation for accidents at work and other occupational illnesses. These benefits cover all employees or the dependents of employees who die as a result of occupational accidents or illnesses, or injuries suffered on the way to work.

The amount of the obligation corresponds to the likely present value of the benefits to be paid to current beneficiaries, taking into account any reversionary annuities.

18.3 Change in present value of benefit obligations

	EGI sector plan						Non-EGI sector plan							
	Pension benefits		End-of-career and other post-employment benefits		Long-term benefits		Pension benefits		End-of-career and other post-employment benefits		Long-term benefits		Total	
In millions of euros	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
PRESENT VALUE OF BENEFIT OBLIGATION AT JANUARY 1	**1,536**	**1,503**	**274**	**139**	**68**	**66**	**222**	**242**	**14**	**18**	-	-	**2,114**	**1,967**
Impact of mergers and spin-offs		(2)		(1)		(1)	-	-	-	-	-	-	-	(4)
Past service cost: plan amendments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current service cost	15	13	4	4	7	6	-	-	-	-	-	-	26	23
Interest cost	53	57	10	5	2	3	7	9	1	-	-	-	73	74
Actuarial gains and losses due to financial assumption changes	(19)	41	(4)	140	-	2	3	(14)	1	(2)	-	-	(20)	167
Actuarial gains and losses due to demographic assumption changes	(20)	(1)	(21)	(5)	(4)	-	-	-	-	-	-	-	(45)	(6)
Actuarial gains and losses due to experience adjustments	65	(18)	3	4	4	1	-	-	-	-	-	-	71	(12)
Benefits paid under all plans (funded and unfunded)	(78)	(77)	(15)	(10)	(8)	(9)	(16)	(15)	(2)	(2)	-	-	(119)	(113)
Impact of pension reform	-	21	-	(2)	-	-							-	19
Other		-		-		-	-	-	-	-	-	-	-	-
PRESENT VALUE OF BENEFIT OBLIGATION AT DECEMBER 31	**1,550**	**1,536**	**251**	**274**	**69**	**68**	**216**	**222**	**14**	**14**	-	-	**2,100**	**2,114**

18.4 Provisions

At year-end, ENGIE SA sets aside provisions in respect of allowances for occupational accidents and illnesses, and temporary and permanent disability benefits for active employees, as well as for benefits due during employees' active working lives (long-service awards and exceptional end-of-career vacation). Provisions for pensions and other employee benefit obligations transferred by SUEZ at the time of the 2008 merger are also recognized by ENGIE SA in liabilities. These provisions are written back as and when the corresponding liabilities for which they were set aside at end-2007 are extinguished. No further amounts are set aside to these provisions in respect of rights newly vested or the unwinding of discounting adjustments.

At December 31, 2024, ENGIE SA booked provisions of €83 million compared to €82 million at end-2023, representing an increase of €1 million in employee-related provisions.

Changes in provisions for employee benefit obligations

	EGI sector plan						Non-EGI sector plan						Total	
	Pension benefits(1)		End-of-career and other post-employment benefits(2)		Long-term benefits(3)		Pension benefits(1)		End-of-career and other post-employment benefits(2)		Long-term benefits(3)			
In millions of euros	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
PRESENT VALUE OF BENEFIT OBLIGATION AT JANUARY 1 (PROVISIONED)			**10**	**10**	**68**	**66**	**4**	**4**	-		-	-	**82**	**80**
Impact of mergers and spin-offs	-			-		(1)	-	-	-	-	-	-	-	(1)
Current service cost	-		1	1	7	6	-	-	-	-	-	-	8	7
Interest cost	-		-	-	2	3	-	-	-	-	-	-	2	3
Actuarial gains and losses due to financial assumption changes	-		-	-	-	2	-	-	-	-	-	-	-	2
Actuarial gains and losses due to demographic assumption changes	-		-	-	(4)	-	-	-	-	-	-	-	(4)	-
Actuarial gains and losses due to experience adjustments	-		1	2	4	1	-	-	-	-	-	-	5	3
Benefits paid under all plans (funded and unfunded)	-		(2)	(2)	(8)	(9)	-	-	-	-	-	-	(10)	(12)
Impact of pension reform			-	-	-	-								-
Other	-	-		-	-	-	-	-	-	-	-	-	-	-
PRESENT VALUE OF BENEFIT OBLIGATION AT DECEMBER 31 (PROVISIONED)	-		**10**	**10**	**69**	**68**	**4**	**4**	-	-	-	-	**83**	**82**

(1) *Excluding EGI sector companies in both 2024 and 2023.*
(2) *Exceptional vacation (€10 million), complementary health insurance for retired former SUEZ employees (zero) and water bonus (zero) in 2024.*
(3) *Allowances for occupational accidents and illness (€52 million), temporary and permanent disability allowances (€8 million), asbestos (€2 million) and long-service awards (€6 million).*

18.5 Insurance contracts

ENGIE SA has taken out insurance contracts with several insurance firms to cover its obligations in respect of pensions and end-of-career indemnities. An amount of €91 million was paid to these insurance firms in 2024.

The value of these insurance contracts stood at €1,688 million at December 31, 2024 (€1,706 million at December 31, 2023).

18.6 Change in the fair value of plan assets

	EGI sector plan						Non-EGI sector plan							
	Pension benefits		End-of-career and other post-employment benefits		Long-term benefits		Pension benefits		End-of-career and other post-employment benefits		Long-term benefits		Total	
In millions of euros	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
FAIR VALUE OF PLAN ASSETS AT JANUARY 1	**1,475**	**1,443**	**21**	**20**	-	-	**210**	**223**	-	-	-	-	**1,706**	**1,686**
Impact of mergers and spin-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected return on plan assets	52	55	1	1	-	-	7	9	-	-	-	-	60	65
Premiums net of handling fees	-	-	-	-	-	-	-		-	-	-	-	-	-
Actuarial gains and losses on plan assets	9	52	-	1	-	-	5	(6)	-	-	-	-	14	46
Benefits paid out of plan assets	(71)	(75)	(5)	(1)	-	-	(16)	(15)	-	-	-	-	(92)	(91)
Other	-	-	-	-	-	-			-	-	-	-	-	-
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**1,465**	**1,475**	**17**	**21**	-	-	**206**	**210**	-	-	-	-	**1,688**	**1,706**

Return on plan assets

	EGI sector plan						Non-EGI sector plan					
	Pension benefits		End-of-career and other post-employment benefits		Long-term benefits		Pension benefits		End-of-career and other post-employment benefits		Long-term benefits	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Actual return on plan assets	**4.2%**	**7.7%**	**4.2%**	**7.7%**			**3.1%**	**3.0%**	-	-	-	-

The actual return on EGI sector plan assets was 4.22% in 2024.

The actual return on non-EGI sector plan assets was 3.08% in 2024.

The allocation of plan assets by principal asset category can be analyzed as follows:

	EGI sector plan		Non-EGI sector plan	
	2024	2023	2024	2023
Equities	31%	27%	10%	10%
Bonds	60%	58%	78%	79%
Other (including money market securities)	9%	15%	12%	11%
	100%	**100%**	**100%**	**100%**

Collective life insurance policies contracted with insurers to cover employee-related liabilities under the EGI sector plan are unit-linked. These contracts are available to ENGIE SA and to Group subsidiaries belonging to the "Group employee benefits management agreement". A small portion of these contracts may be invested in financial instruments issued by ENGIE SA, mainly equities.

Based on unit-linked contracts attributable to ENGIE SA, the portion of plan assets invested in financial instruments issued by ENGIE SA amounted to €6.4 million at December 31, 2024, representing less than 1% of the total value of the fund at that date. Plan assets are not invested in properties occupied by ENGIE SA or in other assets used by ENGIE SA.

18.7 Supplementary defined-contribution plan

Employees eligible for the EGI plan also benefit from an additional defined-contribution plan set up in 2009. Employer contributions paid in respect of this scheme remained stable in 2024 and 2023 at €5 million.

NOTE 19 LEGAL AND ANTI-TRUST PROCEEDINGS

19.1 GEMS

At the beginning of the fourth quarter of 2022, ENGIE initiated an arbitration procedure against Gazprom Export LLC seeking, in particular to obtain (i) recognition of Gazprom Export LLC's non-performance of its gas delivery obligations towards ENGIE under long-term gas delivery agreements and (ii) payment of contractual penalties as well as compensation for damage resulting from this non-performance from Gazprom Export LLC.

This arbitration procedure is due to the significant delivery shortages by Gazprom Export LLC to ENGIE as of mid-June 2022, followed by Gazprom Export LLC's unilateral decision at the end of summer 2022 to reduce its deliveries to ENGIE due to a disagreement between the parties on the application of the agreements.

19.2 Withholding tax

In their tax deficiency notice dated December 22, 2008, the French tax authorities questioned the treatment as corporate income tax of the non-recourse Dailly sale by SUEZ (now ENGIE) of a disputed withholding tax (*précompte*) receivable in 2005 for an amount of €995 million (receivable relating to the *précompte* paid in respect of the 1999-2003 fiscal years). The Montreuil Administrative Court handed down a judgment in ENGIE's favor in 2019, which led the French tax authorities to appeal the decision before the Versailles Court of Appeal, which overturned the prior Court's decision in 2021. On April 14, 2023, the *Conseil d'État* overturned the Court's ruling on the grounds that the assigned claim should be classified as an advance repayment of non-deductible tax, irrespective of the fact that the State had not authorized its repayment by the bank assigning the claim, and that the repayment was only partial. The *Conseil d'État* referred the case back to the Versailles Administrative Court of Appeal to decide on the basis of a procedure that made the tax treatment of the disputed assignment of receivables in 2005 dependent on the outcome of the *précompte* litigation itself. No decision was handed down in 2024.

With regard to the *précompte* litigation itself, all the proceedings to which ENGIE was a party have now terminated, thereby limiting the financial consequences of the aforementioned 2005 Dailly sale.

NOTE 20 INFORMATION CONCERNING RELATED PARTIES

All material transactions between ENGIE SA and related parties were carried out on an arm's length basis. Accordingly, no disclosures are required pursuant to the amending decree of Article R.123-198-11 of March 9, 2009.

Relations with the French State

The French State's interest in the Group at December 31, 2024 remained unchanged at 23.64% compared with the previous year. This entitles it to three of the 14 seats on the Board of Directors (one Director representing the State appointed by decree, and two Directors appointed by the Shareholders' Meeting at the proposal of the French State).

The French State holds 34.13% of the theoretical voting rights (34.23% of exercisable voting rights) compared with 33.80% at end-2023.

On May 22, 2019, the PACTE Law ("Action plan for business growth and transformation") was enacted, enabling the French State to dispose of its ENGIE shares without restriction.

In addition, the French State holds a golden share aimed at protecting France's critical interests and ensuring the continuity and safeguarding of supplies in the energy sector. The golden share is granted to the French State indefinitely and entitles it to veto decisions taken by ENGIE if it considers they could harm France's interests.

Public service engagements in the energy sector are defined by the law of January 3, 2003.

Transmission rates on the GRTgaz transportation network and the gas distribution network in France, as well as rates for accessing the French LNG terminals and revenues from storage capacities are all regulated.

The Law on Energy and Climate enacted on November 8, 2019 will put an end to regulated gas tariffs and will restrict regulated electricity tariffs for consumers and small businesses. The Regulated Gas Tariffs (TRV) came to an end on July 1, 2023.

Relations with EDF

Following the creation on July 1, 2004 of the French gas and electricity distribution network operator (EDF Gaz de France Distribution), Gaz de France SA and EDF entered into an agreement on April 18, 2005 setting out their relationship as regards the distribution business. The December 7, 2006 law on the energy sector reorganized the natural gas and electricity distribution networks. Enedis, a subsidiary of EDF SA, and GRDF SA, a subsidiary of ENGIE SA, were created on January 1, 2007 and December 31, 2007, respectively, and act in accordance with the agreement previously signed by the two incumbent operators. With the deployment of smart meters for both electricity and gas, the "common" businesses deployed by the two distributors have evolved significantly. Since 2024, the remaining mixed activities have been reduced to occupational medicine, medical advice and the management of rates for residential customers. A project coordinated by the two distributors aims to finalize the unbundling of these activities.

Relations with the CNIEG *(Caisse nationale des industries électriques et gazières)*

The Group's relations with the CNIEG, which manages all old-age, death and disability benefits for active and retired employees of the Group who belong to the special EGI pension plan, employees of EDF and Non-Nationalized Companies (e*ntreprises non nationalisées* – ENN), are described in Note 18 "Post-employment benefits and other long-term benefit obligations".

NOTE 21 COMPENSATION DUE TO MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Total compensation (gross salary, bonuses, profit-sharing incentives and benefits in kind, including related employer contributions) paid to the Chief Executive, and members of the Executive Committee came to €26.4 million for 2024.

French government order No. 2019-697 on top-up pension plans, which was published on July 4, 2019 pursuant to the European Directive of April 16, 2014, abolished the defined-benefit pension plans governed by Article L.137-11 of the French Social Security Code (known as "Article 39 plans"), froze the rights of existing members and closed the plans to any new members as of that date.

Following the plan's closure and crystallization of rights accrued in 2019, in 2020 the Group transferred the rights of beneficiaries, including Executive Committee members, to a defined contribution plan (known as an "Article 82" plan).

Members of the Board of Directors, except for the executive corporate officers, Directors representing employees and employee shareholders, received compensation for their terms of office. The total amount for 2024 was €0.8 million, being specified that Directors appointed by the Shareholders' Meeting on a proposal of the French State received 85% of their compensation. This amount of €0.8 million includes the portion paid to the State, i.e., €0.2 million, corresponding to the outstanding 15% of the compensation payable to them and the compensation awarded to the Director representing the French State and appointed by a State order.

NOTE 22 SUBSEQUENT EVENTS

Agreement with the Belgian State on the 10-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State

On February 21, 2025, the European Commission approved, pursuant to EU State aid rules, the agreement between ENGIE and the Belgian government announced on December 13, 2023, regarding the extension of the operations of the Tihange 3 and Doel 4 nuclear reactors as well as the obligations relating to nuclear waste. As a result, ENGIE and the Belgian government are currently completing various procedural steps in order to finalize the transaction by March 14, 2025 at the latest.

6.4.3 Total and partial transfers of assets, subsidiaries, and equity investments requiring statutory disclosure

This Note discloses crossings of thresholds of 10% and 50%, which correspond to the percentage holdings above which an entity becomes, respectively, an equity investment and a subsidiary according to the French Commercial Code *(Code du commerce)*.

TOTAL AND PARTIAL TRANSFERS OF ASSETS

	% at Dec. 31, 2023	% at Dec. 31, 2024	Reclassification within the Group	Sale outside the Group	Net book value of shares sold *(in euros)*	Business sector
Subsidiaries[1]						
VILOREX (fully transferred in 2024)	100.00%	0.00%	X		10,716,801.97	Holding
Equity investments[2]						
50FIVE	40.85%	0.00%		X	144,097.00	e-mobility

(1) More than 50%-owned by ENGIE SA.
(2) Less than 50%-owned by ENGIE SA.

TOTAL AND PARTIAL PURCHASES OF ASSETS

	% at Dec. 31, 2023	% at Dec. 31, 2024	Reclassification within the Group	Acquisition outside the Group	Net book value of shares held *(in euros)*	Business sector
Subsidiaries[1]						
ENGIE Invest 90	0.00%	100.00%	X		40,000.00	Shell company
ENGIE Invest 91	0.00%	100.00%	X		40,000.00	Shell company
Equity investments[2]	-					

(1) More than 50%-owned by ENGIE SA.
(2) Less than 50%-owned by ENGIE SA.

6.4.4 Five-year financial summary

	2024	2023	2022	2021	2020
Capital at year-end					
Share capital *(in euros)*	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011
Number of ordinary shares issued and outstanding	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011	2,435,285,011
Maximum number of shares to be issued:					
• by converting bonds	-	-	-	-	-
• by exercising stock options	-	-	-	-	-
Results of operations for the year *(in millions of euros)*					
Revenues, excluding VAT	40,805	54,149	68,500	36,224	19,272
Income before tax, employee profit-sharing, depreciation, amortization, provisions and transfer of concession termination amortization	1,514	169	4,148	659	1,444
Income tax (negative figures = benefit)	(412)	(247)	(321)	(474)	(532)
Employee profit-sharing and incentive payments for the year	-	-	-	-	-
Income after tax, employee profit-sharing, depreciation, amortization, provisions and transfer of concession termination amortization	4,460	500	1,697	1,780	(3,928)
Total dividends paid (including on treasury shares)	3,604	3,482	3,409	2,070	1,291
Earnings per share *(in euros)*					
Earnings per share after tax and employee profit-sharing, but before depreciation, amortization, provisions and transfer of concession termination amortization	0.79	0.17	1.84	0.47	0.81
Income after tax, employee profit-sharing, depreciation, amortization, provisions and transfer of concession termination amortization	1.83	0.21	0.70	0.73	(1.61)
Dividend per share(1)	1.48	1.43	1.40	0.85	0.53
Headcount					
Average number of employees during the year	3,804	3,974	4,135	4,294	4,477
Total payroll	284	297	292	277	283
Total employee benefit obligations paid (social security taxes and contributions to pension plans, welfare plans, etc.)	281	234	210	229	239

(1) Subject to approval by the Board of Directors.

Shareholders at the AGM held to approve the 2024 financial statements will be asked to approve a dividend of €1.48 per share, representing a total amount of €3,604 million, based on the number of outstanding shares at December 31, 2024.

The dividend per share of €1.48 will be increased by 10% for all shares held by the same person for more than two years as of December 31, 2024, provided they are still held on the dividend payment date.

6.5 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Company presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2024

To the Engie Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Engie for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors for the period from January 1, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of articles L. 821-53 and R. 821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon We do not provide a separate opinion on specific items of the financial statements.

Measurement of equity securities

(Notes 1 - "Accounting principles" and 4 - "Financial fixed assets" to the financial statements)

Key Audit Matter	Our response
Equity securities amounted to €76.9 billion as of December 31, 2024 (net value of €67.9 billion). Newly-acquired equity investments are recognized at purchase price plus directly attributable transaction fees. Equity investments which your Company intends to hold on a long-term basis are written down if their value in use has fallen below their book value, including the allocated technical losses, as stated in the Note 1 "Financial fixed assets" to the financial statements.	We assessed Management's procedures for approving estimates of equity investments. We examined the main data and key assumptions used to determine the values in use, assessed the sensitivity of measurements to these assumptions and verified the calculations made by your company with the support of our valuation specialists.

Key Audit Matter	Our response

Value in use is determined by reference to (i) the intrinsic value which corresponds to restated net assets plus unrealized gains for investment entities, (ii) the yield value which corresponds to the average of the last twenty stock market prices of the period for listed entities, or (iii) expected cash flows or dividends ("Discounted Cash Flow" or "Dividend Discount Model") of operating entities, and by taking into account any currency hedges.
As indicated in Note 4.2 to the financial statements, expected cash flows are drawn from the 2025 budget and 2026-2027 medium-term business plan approved by the Executive Committee and the Board of Directors. Beyond this period, extrapolated future cash flow projections are determined on the basis of macroeconomic assumptions and price projections featured in your Group's long-term reference scenario for 2028-2050 reviewed and approved by the Executive Committee.
As disclosed in Note 4.2 to the financial statements, the net provision reversal recognized in 2024 of €3.1 billion mainly covers the equity investment in Electrabel (€3.6 billion)
The measurement of equity investments is considered a key audit matter given their importance on the balance sheet (65.9% of total assets), the Management judgments and estimates necessary to estimate their value in use and the sensitivity of assessments to the assumptions adopted in an economic and financial environment that remains sensitive to changes in the energy markets and the consequences of which make it difficult to assess the medium-term economic outlook.
	Our work mainly consisted in:
	• examining the measurement methods used to estimate values in use;
	• assessing the consistency of assumptions with your Group's long-term reference scenarios (electricity and gas prices and demand, price of CO_2, inflation) with external studies carried out by international organizations or energy experts;
	• verifying the consistency of the operational and regulatory assumptions used to prepare cash flow forecasts for each of the entities;
	• examining the discount rates for which we have verified the determination methods and the consistency with the underlying market assumptions;
	• assessing the methods for determining cash flow forecasts while verifying:
	  ◦ the consistency of the basic data with the budget, the medium-term business plan and beyond, the Group's reference scenario;
	  ◦ the consistency with past performances and market outlook;
	We also assessed the appropriateness of the disclosures in Notes 1 and 4 to the financial statements.

Revenue relating to sales of electricity and gas delivered but not metered and not invoiced ("energy in the meter")

[Notes 1 "Accounting principles", 6.1 "Debt maturity schedule" and 13.1 "Breakdown of revenue" to the financial statements]

Key Audit Matter	Our response
Your Company makes estimates and uses judgments for the recognition of sales of electricity and gas delivered but not metered and not invoiced (known as "energy in the meter"). The measurement of revenue relating to sales of electricity and gas for customers which are only metered during the course of the accounting period represents a material estimate at the year end. As the meter readings are sometimes communicated by grid managers several months after the actual delivery date, your Company is required to estimate the energy delivered but not metered at the year end. As of December 31, 2024, receivables relating to revenue in the meter (delivered gas and electricity that is unbilled and un-metered) totaled €2.7 billion. These receivables are determined using a method that takes into account an estimate of customers' consumption based on the previous bill, or the last metering not yet billed, in line with the volume of energy allocated by grid managers, using measurement and modeling tools developed by your Company. The volumes are measured at the average energy price, taking into account the customer type and the age of the energy in the meter. Considering the amount of revenue at stake and the sensitivity of the estimates to assumptions regarding average energy volumes and prices, and the judgments exercised, we have considered the estimate of the portion of un-metered revenue delivered to be a key audit matter.	The procedures conducted on estimates of un-metered revenue delivered mainly consisted in: • obtaining an understanding of the internal control procedures covering the billing process, and the processes securing the reliability of the accounting estimates for energy in the meter; • assessing the relevance of the estimation models and reviewing the methods of calculating the estimated energy volumes by including an algorithm specialist in our audit team; • comparing the information on the volumes delivered and determined by your Company with the metering data provided by the grid operators; • verifying that the methods used to calculate the average price of the un-metered delivered power take account of its age in the meter and the different customer categories; • analyzing the consistency of the volumes committed in the employment operations (sales, injections and stocks) with the energy resources (purchases, withdrawals and stocks) on the networks; • assessing the regular clearance of the metered energy during the year ended December 31, 2024; and finally • assessing the age of the energy in the meter at the year end.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents addressed to shareholders with respect to the financial position and the financial statements

We have no matters to report on the fair presentation and consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*code de commerce*).

Information relating to corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*code de commerce*) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements included in the annual financial report mentioned in Article L. 451--1--2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Engie by the Annual General Meeting held on July 16, 2008 for Deloitte & Associés and on May 19, 2008 for ERNST& YOUNG et Autres.

As of December 31, 2024, we were both in in the seventeenth year of uninterrupted engagement.

ERNST & YOUNG Audit was previously statutory auditor between 1995 and 2007.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) No. 537/ 2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 7, 2025

The Statutory Auditors
French original signed by

ERNST & YOUNG et Autres		DELOITTE & ASSOCIÉS	
Sarah Kokot	Guillaume Rouger	Laurence Dubois	Nadia Laadouli

7

ADDITIONAL INFORMATION

7.1 GENERAL INFORMATION ON ENGIE AND ITS BYLAWS

7.1.1 Company name and trading name

The company name and trading name of the Company is ENGIE.

7.1.2 Registration place and number and LEI

ENGIE is registered in the Nanterre Trade and Companies Register under No. 542 107 651.

Its APE (principal activity) code is 3523Z.

Its legal entity identifier (LEI) is LAXUQCHT4FH58LRZDY46.

The name of the stock is ENGIE and its ticker symbol is "ENGI."

7.1.3 Date of incorporation and term

The Company was incorporated as an EPIC (French public industrial and commercial enterprise) on April 8, 1946, and registered in the Trade and Companies Register on December 24, 1954. ENGIE has been a French public limited company since November 20, 2004.

The Company's term is fixed at 99 years as of November 20, 2004, i.e., until November 17, 2103, unless it is dissolved early or its term is extended.

7.1.4 Registered office, legal form, legislation, address and website

The registered office is located at 1, place Samuel-de-Champlain – 92400 Courbevoie, France.

Telephone number of registered office: +33 1 44 22 00 00

Website: www.engie.com/en

The information provided on the Company's website does not form an integral part of this document, unless it is incorporated by reference.

ENGIE is a public limited company (*société anonyme*) with a Board of Directors, governed by the laws and regulations applicable to commercial limited companies, subject to specific laws governing the Company, and by its bylaws.

7.1.5 Corporate purpose

Pursuant to Article 2.2 of the bylaws, ENGIE's corporate purpose is the management and development of its current and future tangible and intangible assets, in France and abroad, by all means and especially to:

- prospect, produce, process, import, export, purchase, transport, store, distribute, supply and market natural gas of any kind, in all its forms, and electricity, as well as other forms of energy;
- conduct trading in any energy, particularly natural gas and electricity;
- supply to any type of customer the services related directly or indirectly to the aforementioned activities, including specific services to facilitate the energy transition;
- perform the public service missions assigned to it by the laws and regulations in force, particularly the Energy Code;
- study, design and implement all projects and all public or private work on behalf of any local authorities, companies and individuals; prepare and sign all treaties, public and private contracts relating to the execution of said projects and work;
- participate directly or indirectly in all operations or activities of any kind that may be related to one of the aforementioned objectives, or which could ensure the development of the corporate holdings, including research and engineering activities, via the formation of companies or new businesses, contribution, subscription or sales of securities or corporate rights, acquisitions of interests and stakes, in any form, in all existing or future businesses or companies, merger, association, or in any other manner;
- create, acquire, lease, take under lease-management all furnishings, buildings and businesses, lease, install and operate all establishments and businesses relating to one of the aforementioned objectives;
- register, acquire, operate, grant or sell all processes, patents and patent licenses relating to the activities connected with one of the aforementioned objectives;
- obtain, acquire, rent and operate, mainly via subsidiaries and holdings, all concessions and undertakings relating to the supply of drinking water to towns or water to industry, the evacuation and purification of wastewater, drainage and wastewater treatment operations, irrigation and transport, protection and pondage structures as well as all sales and service activities to public authorities and individuals in the development of towns and the management of the environment;
- and in general to carry out all industrial, commercial, financial, personal property or real estate operations and activities of any kind, including services, in particular insurance intermediation, acting as an agent or delegated agent in a complementary, independent or research position; these operations and activities being directly or indirectly related, in whole or in part, to any one of the aforementioned objectives, to any similar, complementary or related objectives and to those that may further the development of the Company's business.

7.1.6 Purpose

Pursuant to Article 2.1 of the bylaws, the purpose (*raison d'être*) of ENGIE is to take action to accelerate the transition to a carbon-neutral economy, through low-energy solutions that are more respectful of the environment. This purpose brings together the company and its employees, customers and shareholders and reconciles financial performance and positive impact on people and the planet. ENGIE's action is assessed in its entirety and over time.

7.1.7 Fiscal year

The Company's fiscal year lasts for 12 months, starting on January 1 and ending on December 31 of each year.

7.2 MATERIAL CONTRACTS

The Group's main contracts, other than contracts concluded in the ordinary course of business, are as follows:

7.2.1 Contracts completed in 2023

Contract to acquire 100% of Broad Reach Power – see Note 4.2 of Section 6.2.2 "Notes to the consolidated financial statements" of the 2023 Universal Registration Document.

7.2.2 Contracts in progress at the end of fiscal year 2023 and completed in 2024

Not material.

7.2.3 Contracts signed after the 2023 reporting date

Not material.

7.2.4 Contracts completed in 2024

Partial disposal of a 15% stake in *Transportadora Associada de Gás S.A.* ("TAG"); disposal of a 50% stake in *Energia Mayakan S. de R.L. de C.V.* ("Mayakan") – see Note 4.1 of Section 6.2.2 "Notes to the consolidated financial statements".

7.2.5 Contracts in progress at the end of fiscal year 2024

Partial or complete disposal of several shareholdings (Touat in Algeria, Safi in Morocco, Uch in Pakistan) – see Note 4.1 of Section 6.2.2 "Notes to the consolidated financial statements".

On February 21, 2025, the European Commission approved under EU state aid rules the agreement between ENGIE and the Belgian government, announced on December 13, 2023, relating to the extension of the operation of the Tihange 3 and Doel 4 nuclear reactors and the obligations relating to nuclear waste. Pursuant thereto, ENGIE and the Belgian government are now concluding together various procedural steps with a view to closing the transaction on or before March 14, 2025 (See Note 24.2 of Section 6.2.2 "Notes to the consolidated financial statements").

7.2.6 Contracts signed after the 2024 reporting date

Not material.

7.2.7 Borrowing and financing contracts

See Notes 14.2 and 14.3 of Section 6.2.2 "Notes to the consolidated financial statements" and Notes 11.2.1 and 11.2.2 of Section 6.4.2 "Notes to the parent company financial statements."

7.3 LITIGATION AND ARBITRATION

In the course of its operations, the Group is engaged in a certain number of legal disputes and arbitration procedures and is also subject to investigations and procedures under competition law. The principal investigations and proceedings are described in Note 23 “Legal and anti-trust proceedings” of Section 6.2.2 “Notes to the consolidated financial statements” and Note 19 “Legal disputes” of Section 6.4.2 “Notes to the parent company financial statements.”

7.4 PUBLIC DOCUMENTS

The documents relating to ENGIE that must be made available to the public (bylaws, reports, historical financial information on ENGIE, as well as on the Group subsidiaries included or mentioned in this Universal Registration Document and those relating to each of the two fiscal years prior to the filing of this Universal Registration Document) may be consulted at ENGIE's corporate headquarters for as long as this Universal Registration Document remains valid.

These documents may also be obtained in electronic format from the ENGIE website (www.engie.com/en) and some of them may be obtained from the French financial markets authority (*Autorité des marchés financiers* – AMF) website (www.amf-france.org/en).

The ENGIE Universal Registration Document is translated into English. In the event of discrepancies, the original French version takes precedence.

As well as this Universal Registration Document, which is filed with the AMF, the Group publishes an integrated report each year.

The documents published on the website are available free of charge from ENGIE, 1, place Samuel-de-Champlain – 92400 Courbevoie, France.

7.5 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Person responsible for the Universal Registration Document

Catherine MacGregor, Chief Executive Officer.

Statement by the person responsible for the Universal Registration Document containing the Annual Financial Report

“I hereby certify that the information contained in this Universal Registration Document is, to my knowledge, in accordance with the facts and makes no omission likely to affect its import.

I hereby certify that, to the best of my knowledge, the annual and consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profit or loss of the Issuer and all the undertakings included in the scope of consolidation, and that the management report, whose sections are mentioned in Chapter 7 of this Universal Registration Document, presents a true and fair view of the development and profit and loss of the Company and the financial position of the Issuer and all the undertakings included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed and that it is prepared in accordance with sustainability reporting standards.”

Courbevoie, March 13, 2025

The Chief Executive Officer

Catherine MacGregor

7.6 CONVERSION TABLE

1 kWh	0.09 m^3 of natural gas (i.e., *1 m^3 of gas = 11 kWh*)
1 GWh	91,000 m^3 of natural gas
1 TWh or 1 billion kWh	91 million m^3
1 billion m^3 of gas	6.2 million barrels of oil equivalent *(in Mboe)*

The units of conversion mentioned above are those routinely used by professionals in the energy sector. In this document they are provided solely for information purposes.

7.7 UNITS OF MEASUREMENT

A	Ampere
Bar	Unit of measurement of fluid pressure, particularly for natural gas (1 bar = 105 Pascal)
BOE	Barrel of oil equivalent (1 barrel = 159 liters)
CO_2 eq.	Carbon dioxide equivalent
G	Giga *(billion)*
GBq	Giga becquerel
GW	Gigawatt *(billion watts)*
GWh	Gigawatt-hour *(million kilowatt-hours)*
GWheeq	GWh electric equivalent
J	Joule
k	Kilo *(thousand)*
km	Kilometers
kW	Kilowatt *(thousand watts)*
kWh	Kilowatt-hour *(thousand watt-hours)*
m	Meter
m^2	Square meter
m^3	Cubic meter
M	Mega *(million)*
Mboe	Million barrels oil equivalent
Mtpa	Million metric tons per annum
MW	Megawatt *(million watts)*
MWp	Megawatt-peak (unit of measurement for the power of solar power installations)
MWe	Megawatt electric
MWh	Megawatt-hour *(thousand kilowatt-hours)*
T	Tera *(thousand billion)*
TBq	Terabecquerel
t/h	Metric tons per hour
TWh	Terawatt-hour *(billion kilowatt-hours)*
V	Volt
W	Watt
Wh	Watt-hour

7.8 SHORT FORMS AND ACRONYMS

A

ACGC: Appointments, Compensation and Governance Committee
AMEA: Asia, Middle East, Africa
AMF: *Autorité des marchés financiers* (French financial markets authority)

B

BtoB: Business to Business
BtoC: Business to Consumer

C

CAPEX: Capital expenditure
CCGT: Combined Cycle Gas Turbine
CER: Certified Emission Rec gv
CIT: Investment and Technology Committee
CRE: *Commission de régulation de l'énergie* (French energy regulator)
CRM: Capacity Remuneration Mechanism – see Glossary
CSR: Corporate Social Responsibility
CSRD: Corporate Sustainability Reporting Directive

E

E&P: Exploration & Production of hydrocarbon
EBIT: Earnings Before Interest and Taxes – see Glossary
EBITDA: Earnings before Interest, Tax, Depreciation and Amortization – see Glossary
EESDC: Ethics, Environment and Sustainable Development Committee
EGI: Electric and Gas Industries – see Glossary
EMAS: Eco-Management and Audit Scheme – see Glossary
EMTN: Euro Medium Term Note (program)
ERM: Enterprise Risk Management
ESC: Energy Savings Certificates
ESG: Environmental, Social and Governance
ESRS: European Sustainability Reporting Standards (since 2024)
EUA: European Union Allowance
EWC: European Works Council

G

GBU: Global Business Unit
GDPR: General Data Protection Regulation
GEMS: Global Energy Management & Sales
GHG: Greenhouse Gas – see Glossary

H

HR: Human Resources

I

IAS: International Accounting Standards, drawn up internationally by the IASB until 2002
IASB: International Accounting Standards Board
IS: Information Systems
IFRS: International Financial Reporting Standards, drawn up internationally by the IASB since 2002
INCOME: Internal Control Management Efficiency (ENGIE Group program)
IRO: Impacts Risks and Opportunities – see Glossary
ISO: International Organization for Standardization – see Glossary

K

KPI: Key Performance Indicator

L

LEAP: Locate, Evaluate, Assess, Prepare
LNG: Liquefied Natural Gas – see Glossary
LTO: Long Term Operation

M

MTP: Medium-Term Business Plan
MtM: Mark to Market (fair value investment)

N

NRIgs: Net Recurring Income/(Loss) Group share
NFS: Non-Financial Statement
NGO: Non-governmental organization
NOx: Nitrogen oxide
NRE: New and Renewable Energy sources: wind, solar, hydro, etc.

O

OPEX: Operating expenses
OTI: *Organisme tiers indépendant* (Independent third party)

P

PPA: Power Purchase Agreement (often long-term)

R

R: Revenues
R&D: Research and Development
R&I: Research and Innovation
ROACE: Return On Average Capital Employed

S

SBTi: Science-Based Targets initiative - see Glossary
SDG: Sustainable Development Goal
SEC: Social and Economic Committee
SO_2: Sulfur dioxide

T

TCFD: Task Force on Climate-related Financial Disclosures
TPA-d: Third-party access to the distribution network – see Glossary
TRVE : *Tarifs réglementés de vente d'électricité* (regulated electricity tariffs)
TSR: Total Shareholder Return – see Glossary

U

UCITS: Undertakings for Collective Investment in Transferable Securities (money-market funds)

V

VaR: Value at Risk – see Glossary

7.9 GLOSSARY

Afep-Medef Code

Code of corporate governance for listed companies in France, in the version published by the Afep and the Medef in December 2022.

Biogas

All gases resulting from the fermentation of organic waste (waste, sludge from sewage treatment plants, etc.) in a depleted air environment, such as methane and carbon dioxide. Such fermentation is the result of natural or controlled bacterial activity. As such, biogas is classified as a renewable energy source.

Biomass

Mass of non-fossil organic matter of biological origin. Part of this deposit may be used as an energy source.

Biomethane

Green gas comprising a very large proportion of methane molecules. It can be injected into urban gas networks.

Carbon neutrality

Balance between greenhouse gas (GHG) emissions and carbon removal on a global scale.

Capacity Remuneration Mechanism

Instrument intended to complement energy markets with a capacity market that ensures the availability of sufficient capacity to ensure the supply of electricity.

Certified Emission Reduction (CER)

Certificate issued to industries that have invested in developing countries to reduce greenhouse gas emissions there. CERs cannot be directly traded, but may be used in place of CO_2 quotas, with one CER equal to one quota.

Cogeneration

A technique that uses a single fuel, which may be natural gas, to simultaneously produce thermal energy (steam or overheated water or a mixture of air and combustion products) and electricity.

Combined steam cycle plant

A power plant comprising a gas turbine generator, the exhaust gases of which power a steam boiler. The steam produced in the boiler drives a turbo-generator.

Commission de régulation de l'électricité et du gaz – Belgium – CREG (Belgian electricitly and gas regulator)

Independent body responsible for advising the public authorities on the organization and operation of the deregulated gas and electricity markets. It also monitors and controls the application of laws and regulations. A General Council, made up of representatives of federal and regional governments, organizations representing workers, employers and the middle classes, environmental groups, producers, distributors and consumers, oversees its work.

Commission de régulation de l'énergie – CRE (French energy regulator)

The CRE is an independent administrative authority. It was created by the French Act of February 10, 2000 to regulate electricity and its scope was extended to include the gas sector with the French Act of January 3, 2003. Its main mission is to ensure the effective, transparent and non-discriminatory implementation of access to electricity and gas networks.

More generally, its role is to ensure that the gas and electricity markets operate properly.

Corporate Power Purchase Agreement (corporate PPA)

A corporate Power Purchase Agreement or corporate PPA is a long-term electricity supply agreement between an electricity producer and an electricity end-purchaser.

Decarbonization

Initiatives aimed at reducing human-induced greenhouse gas (GHG) emissions.

Desalination

A process used to reduce the salt concentration of sea water in order to make it fit for human or animal consumption as well as for other uses, especially industrial uses.

Distribution

Distribution networks are groups of physical structures consisting mainly of medium or low-pressure pipes. They route natural gas to consumers who are not directly connected to the main network or to a regional transmission network.

EBIT

Recurring Earnings Before Interest and Taxes, after share of net recurring income of equity-consolidated companies.

EBITDA

EBIT before net depreciation and amortization expenses.

Eco-Management and Audit Scheme (EMAS)

A scheme based on ISO 14001 certification and an environmental statement certified by European auditors, accredited and published by the European Commission.

Electricity and Gas Industries (EGI)

All the companies that produce, transmit or distribute electricity or gas in France and which meet the requirements of the Nationalization Act of April 8, 1946. The EGI sector includes all companies with employees with the status of EGI employees.

Energy trading

The act of exchanging physical or financial contracts on the short-term energy markets (over-the-counter markets and stock markets).

Gas pipeline

A pipeline that conveys fuel gas.

Green electricity

Certified electricity produced from renewable energy sources.

Green gas

Low-carbon fuel gas produced from the fermentation of organic matter. A generic term for a gas produced from renewable organic waste (household waste, agro-industrial waste, agricultural waste, etc.).

Green hydrogen

Hydrogen produced from renewable energy sources by water electrolysis.

Greenhouse Gas (GHG)

Atmospheric gas that contributes to the retention of solar heat. Industries, automobiles, heating systems, livestock farming and other activities produce gases, some of which heighten the greenhouse effect. The greenhouse gas build-up produced by human activity is one of the causes of global warming and its impacts on the earth's ecosystem.

Impacts, Risks and Opportunities (IRO)

All the impacts, risks and opportunities identified in the double materiality assessment. Impacts are the effects of the Company's activities on society and the environment, risks are the threats associated with sustainability matters, and opportunities are the benefits to be gained from a sustainable transition. When applying the CSRD, the Company must explain how these impacts, risks and opportunities are managed and controlled.

International Standards Organization (ISO)

Organization that defines reference systems (industrial standards used as benchmarks).

Investment Services Provider (ISP)

Investment services provider approved by the Committee of European Bank Supervisors to transmit and process market orders.

ISO 14001

An international standard that verifies a company's organizational procedures and methods, as well as the effective implementation of environmental policy and objectives.

Joint venture

A term commonly used to describe a project owned by two or more entities. For the consolidation principles and methods applicable to the different types of partnership under IFRS, please see Note 1 of Section 6.2.2 "Notes to the consolidated financial statements."

Liquefied Natural Gas (LNG)

Natural gas put into the liquid phase by lowering its temperature to -162°C, making it possible to reduce its volume by a factor of 600.

LNG terminal

An industrial facility that provides for the receipt, unloading, deposit and regasification of LNG and the delivery of natural gas in gaseous form to the transport network. Port facility, with ancillary facilities, to accommodate vessels carrying liquefied natural gas (LNG).

Load-matching

Term referring to the discrepancy between the actual conditions of a customer's gas consumption and those corresponding to standard purchases over the year of their average daily consumption. Variations (daily, weekly or seasonal) in consumption are generally covered by underground storage, to which customers and their suppliers may have access, either directly (in countries where third-party access to the facilities – regulated or negotiated – is provided) or via a load-matching service (as in the United States).

Low-carbon gas

Gas consisting mainly of methane, which can be injected and transported safely in the natural gas network and whose production process does not generate emissions that exceed the threshold set by the French Minister for Energy.

Main network

All the high-pressure and large-diameter structures for transmitting natural gas that link the interconnection points with neighboring transmission networks, storage facilities and LNG terminals.

These structures are connected to regional networks as well as certain industrial consumers and distribution networks.

Marketer

Seller of energy to third parties (end customer, distributor, etc.).

Natural gas liquefaction

Transformation of natural gas from gaseous form to liquid form to be transported by ship and/or stored.

Net Zero (Carbon)

A climate change mitigation target set by an undertaking to reduce its greenhouse gas (GHG) emissions (in the case of ENGIE, by at least 90% compared with 2017) and to neutralize difficult-to-abate residual emissions by helping to develop carbon sinks.

Qmax

A Qmax-sized ship is 345 meters (1,132 feet) long, 53.8 meters (177 feet) wide and 34.7 meters (114 feet) high, with a draft of approximately 12 meters (39 feet).

It has an LNG capacity of 266,000 cubic meters (9,400,000 cubic feet), equal to 161,994,000 cubic meters (5.7208 ×109 cubic feet) of natural gas.

Regional network

All the high-pressure and large-diameter structures that link the interconnection points with neighboring transmission networks, storage facilities and LNG terminals.

Regional networks, distribution networks and certain industrial consumers are connected to them.

Regulated asset base (RAB)

The regulated asset base is the economic value, as recognized by the regulator, of assets operated by an operator of regulated networks.

Renewable energy

Energy from renewable non-fossil sources, namely wind energy, solar energy (solar thermal or photovoltaic), geothermal energy, ambient energy, tide, wave, osmotic and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas.

SBTi (certification)

Certification by the Science-Based Targets initiative (SBTi), which validates that a company's greenhouse gas (GHG) emission reduction targets meet scientific recommendations and align with the Paris Agreement to limit the increase in global average temperature to well below 2°C above pre-industrial levels, and to continue efforts to limit the temperature increase to 1.5°C.

Scopes 1, 2 and 3

ENGIE prepares an annual Group-wide GHG report (Scopes 1, 2 and 3) calculated according to the principles of the GHG Protocol Corporate Standard:

- Scope 1 covers the production of electricity through the combustion of fossil fuels in power plants owned or controlled by ENGIE, methane emissions from networks controlled by ENGIE, and ENGIE vehicle fleets;
- Scope 2 covers the production of electricity, heating or cooling purchased and consumed by ENGIE for own use;
- Scope 3 covers, upstream, the purchase for resale of electricity and heating, the manufacture of goods, services or equipment purchased or leased by ENGIE (including their end of life), the upstream fuel chain (extraction and transport of raw materials), and, downstream, the final consumption of gas volumes sold by ENGIE, and the production of electricity in power plants not controlled (consolidated under the equity method) by ENGIE.

Smart energy

An economically efficient, durable and secure energy system in which production of renewable energy, the networks and consumption are integrated and coordinated locally through energy services, active users and digital technologies.

Storage

Facility that allows natural gas to be stored in the summer when consumption is at its lowest, and to take natural gas out of storage in winter when consumption is higher. Gas storage is an industrial facility, mainly underground, used as a natural gas reserve by natural gas suppliers.

Stress test

Test performed in order to assess resistance to a disaster scenario.

Take-or-pay

Long-term contract where the producer guarantees the supply of gas to an operator and the operator guarantees payment, regardless of whether or not the operator takes delivery.

Thermal plant

Facility in which the chemical energy contained in solid, liquid, or gaseous fossil fuel is transformed exclusively into electricity using boilers and steam turbines.

Third Party Access to the Distribution Network (TPA-D)

The recognized right of each user (eligible customer, distributor, producer) to access a transmission or distribution network in return for payment for access rights.

Tolling

Contract for the transformation of a fuel (e.g., natural gas) into electricity on behalf of a third party.

Total Shareholder Return (TSR)

Return of a share over a given period that includes dividends paid and capital gains realized.

Transmission

Transmission networks are groups of physical structures consisting of high-pressure pipelines. These route natural gas to industrial consumers who are directly connected and to distribution networks.

Transmission capacity

The highest permissible continuous load of the transmission equipment with respect to the stability of its operating parameters and pressure drop.

Treasury stock

Company shares bought back by the Company under an authorization granted by the Shareholders' Meeting. These shares do not carry voting rights.

Underground storage

Use of porous geological formations, natural or artificial cavities (saline or aquifer) to store liquid or gaseous hydrocarbons.

Value at Risk (VaR)

Value at Risk is a global indicator used to measure the exposure of a portfolio to the risks of price fluctuations and volatility. It measures the amount of potential losses that are expected to be exceeded only with a given probability over a given time horizon. This indicator is especially well suited for measuring market risks for trading activities.

For example, if the time horizon is one day and the confidence level 99%, VaR of €5 million indicates that the probability of losing more than €5 million each day is 1%, i.e., two or three times per year.

Virtual Power Plant (VPP)

A virtual generation capacity system which involves providing a third party, in return for compensation, with a band of generation capacity without the third party owning a share in the asset and without it being the asset's operator.

7.10 THEMATIC INDEX

7.11 CROSS-REFERENCE TABLE

Regulation (EU) 2017/1129 of June 14, 2017 (Prospectus) and Delegated Regulation (EU) 2019/980 of March 14, 2019

This cross-reference table may be used to identify the information required by Annex 1 (referred from Annex 2) of Delegated Regulation (EU) 2019/980 of March 14, 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council, according to the prospectus layout, and to cross-reference it with the corresponding sections of the 2024 Universal Registration Document.

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To facilitate the reading of this document, the cross-reference table below may be used to identify the information which should be included in the management report, in accordance with the provisions of the French Commercial Code applicable to public limited companies with a Board of Directors.

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Solar power plant in Bollène (Vaucluse, France).

Graphic design by PricewaterhouseCoopers Advisory
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